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ABSTRACT

The Minnesota Educational Effectiveness Program (MEEP) was authorized by legislative act in 1983 and has been operational since 1984. MEEP is a school-based education improvement process. As of January 1991, MEEP serves 593 schools, representing 244, or 54 percent, of the 430 school districts in Minnesota. The design of the MEEP process is based upon 15 research-referenced characteristics (6 instructional and 9 organizational) of effective schools. In January 1991, a project was undertaken to review and update the organizational characteristics and change sections of MEEP. The project design was to be research-referenced rather than research-based. The strategy was to search for "universal" characteristics of effectiveness that apply, regardless of type of organization. This report contains an overview, reviews of three types of organizations, and a summary chapter that includes conclusions and recommendations regarding the organizational characteristics of effective organizations. Following are the titles and authors of the papers that comprise the literature review chapters of the report: (1) "Organizational Characteristics of Effective Health Care Delivery Organizations" (Patricia J. Bodelson); (2) "Organizational Characteristics of Effective Schools" (Sue Pierson Ellingson); and (3) "Characteristics of Organizational Effectiveness of Business and Nonprofit Organizations" (Don VandeWalle). (MLF)

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THE MINNESOTA EDUCATIONAL EFFECTIVENESS PROGRAM RESEARCH AND DEVELOPMENT PROJECT:

AN ANALYSIS OF THE ORGANIZATIONAL CHARACTERISTICS OF THE MINNESOTA EDUCATIONAL EFFECTIVENESS PROGRAM

Introduction

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St. Cloud, Minnesota

December 1991

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The Minnesota Educational Effectiveness Program (MEEP) was authorized by legislative act in 1983 and has been operational since 1984. MEEP is a school-based education improvement process. As of January 1991, the MEEP serves 593 schools, representing 244, or 54%, of the 430 school districts in Minnesota (Minnesota Department of Education, 1991). The MEEP process is predicated upon: involvement of all organizational stakeholders' commitment to long-range organizational change, open communication, use of group development processes, staff development in support of organizational change, and collaborative decision-making (Minnesota Department of Education, 1989). The MEEP process is comprised of the five components of assessment of organizational readiness for change, planning for organizational change, staff development to support organizational change, implementation of organizational change, and evaluation of organizational change. The design of the MEEP process is based upon 15 research-referenced characteristics, six instructional and nine organizational, of effective schools (Minnesota Department of Education, 1989). The instructional characteristics of effective schools identified in the MEEP consist of the following:

1. Effective management strategies that communicate the seriousness and purposefulness with which the school takes its task are demonstrated in the classroom and school.
2. High expectations and positive interpersonal relationships for all students are exhibited and communicated.
3. Flexible grouping patterns based upon student needs are exhibited in the school and classroom.
4. Instructional preparation takes into account student needs, learning styles, and available resources.
5. Effective models of teaching are employed to increase academic learning time and student achievement.
6. Assessment, monitoring, and appropriate feedback are provided (Minnesota Department of Education, 1989).

The nine organizational characteristics of effective schools identified by the MEEP are:

1. Common sense of purpose and clearly defined goals and expectations related to student achievement.
2. School climate which supports those goals and expectations.
3. Building-level leadership which encourages and monitors progress toward high goals and expectations.
4. School-site management with considerable autonomy in determining the exact means by which the goals and expectations are to be met.
5. District-level support for building-level management of improvement efforts.
6. Collaborative planning and collegial relationships among staff and administration at the building level.
7. A building-level staff development program directed toward school goals and closely related to the instructional program of the school.
8. Curriculum articulation and organization with appropriate time devoted to planned, purposeful instruction focused in the desired outcomes and coordinated across grade levels.
9. Parental involvement in their child's education and parental support of the goals and expectations of the school. (Minnesota Department of Education, 1989).

In January, 1991, an effort was undertaken, by way of the Minnesota Educational Effectiveness Program Research and Development Project (MEEP R&D Project), to review and update the organizational characteristics and change sections of the MEEP. The objectives of the MEEP R&D Project were to:

1. Assess the contemporary validity of the nine organizational characteristics of the MEEP, and
2. Propose, as appropriate, revision to the nine organizational characteristics of the MEEP.

In the design of the MEEP R&D Project, it was determined that the Project product would be research-referenced rather than research-based. That is, the Project would undertake and report a review of related literature for the purpose of determining the contemporary applicability of the MEEP characteristics of organizational effectiveness. The Project would not undertake an independent, quantitative assessment of the effect of the MEEP on participating schools. A cross-disciplinary strategy was devised for the conduct of the MEEP R&D Project in order to determine whether the characteristics of effective school differ from the characteristics of other effective organizations, public or private. The MEEP R&D Project strategy was selected with the intent of searching for "universal" characteristics of effectiveness that apply, regardless of type of organization. However, to ensure comparability of organizations in the Project research process, criteria were identified with which the literature search, review, and reporting were delimited. The literature to be reviewed in the Project was delimited to that which related to organizations manifesting the following criteria:

1. Engaged in provision of services.
2. Primarily oriented to assessing and accommodating client needs.
3. Dominated by a professional corps.

Based upon the identified organizational criteria of the Project, three types of organizations were targeted for intensive literature search, review, and reporting. The three types of organizations to be focused upon for the MEEP R&D Project were:

1. Businesses, including for profit and not for profit organizations.
2. Educational institutions, focusing primarily upon providers of elementary and secondary education.
3. Health care and service providing organizations.

Three research associates were retained for the purpose of developing the review and reporting of the literature for each of the types of organizations identified in the MEEP R&D Project design. The Research Associates and their respective areas of Project responsibility were:

1. Dr. Patricia Bodelson, St. Cloud State University: health care and service providing organizations.
2. Dr. Sue Pierson Ellingson, Concordia College, Moorhead, Minnesota: educational institutions.
3. Mr. Don VandeWalle, University of Minnesota: business organizations.

The MEEP R&D Project Research Associates were under the direction of a Project Director, Dr. Tom Krepel, St. Cloud State University. Research reviews were begun by the Project Research Associates in the Spring of 1991. A mid-Project review was conducted by the Project Director with each of the research associates during the Summer of 1991. Research reviews were completed and submitted in the Fall of 1991. In the late Fall of 1991 the research reviews were synthesized into the final Project report. The final Project report contains an overview of the MEEP and the MEEP R&D Project (Chapter 1), the reviews conducted by the research associates (Chapters 2-4), and a summary chapter which includes conclusions and recommendations regarding the organizational characteristics of effective organizations (Chapter 5).

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ORGANIZATIONAL CHARACTERISTICS OF EFFECTIVE HEALTH CARE DELIVERY ORGANIZATIONS

A Review of Related Literature

by

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December, 1991

The following discourse is a section of the interdisciplinary effort that examines the characteristics of effective organizations. The focus of this portion of the project is upon health care delivery organizations. The system of health care delivery in the United States evolved from one that promoted the expansion of services to one that valued fiscal efficiency. This shift altered the parameters whereby effectiveness was determined.

The paper presents a brief historical overview of the development of the health care industry. Subsequent to that, it offers information regarding recent federal regulations that have drastically altered the entire system. This new regulatory environment has shifted the definition of effectiveness from one that perceived effective as accessible high quality care, to one that valued fiscal efficiency over all other considerations.

The analysis conducted for this portion of the project was based upon a review of current literature on health care delivery effectiveness. Although most sources reviewed were qualitative in nature, recent quantitative evidence has been reported. The quantitative evidence tends to substantiate the qualitatively-based literature.

Cost-Based Reimbursement

During the expansionary period from the 1930s through the 1970s, the federal government took on the role of ensuring access to health care to its citizens. Through these efforts it became the largest third party payer for health care in the United States. The most expensive program subsidized by the government was Medicare, a health insurance mechanism primarily designed to enhance the accessibility of health care services to the elderly. Medicare, which was based on the basic premise of cost-based reimbursement, was the culmination of the expansionary health policy era. That is, it was the final expansion-oriented policy implemented by the federal government. Eventually, Medicare caused a shift into the new era of cost containment.

The cost-based reimbursement system used during the expansionary period led to skyrocketing health care costs, most of which were subsidized by the federal government for

hospitalization of Medicare recipients (Congressional Quarterly, 1982). From 1965, with the passage of Medicare, to the latter half of the 1970s, many other expansionary health policies were proposed, including National Health Insurance. Although the passage of other expansionary health policies was rare, the proposals were driven by the same ideology that health care was a right and more health care was inherently an improvement over the status quo (Abernathy & Pearson, 1979). A recurring theme in proposed health policy was the attempt to develop a national health insurance program that would provide health care not just to the indigent and elderly, but to all citizens of the country. Several other national health policies such as socialized medicine or national health insurance were subsequently proposed, but to no avail (Starr, 1982). Proposals for the expansion of government subsidized health care failed because the emphasis on quality in terms of accessibility diminished as federal expenditures for health rose. The movement to deal with cost containment of hospitalization costs was based on a new definition of effectiveness that emphasized financial efficiency over accessibility.

By the middle of the 1970s, the United States entered into a new phase of health policy. Proposed policies began to reflect the need to control the ever-rising costs of health care. The necessity for the shift in focus was indicated by the fiscal trends that the Medicare program began to display. A program that had been initially designed to provide a stable fiscal base for the provision of health care to the elderly began to grow beyond expectation.

Another factor which was associated with the movement from expansionary to cost containment ideology was a shift in power within the health care delivery system in which hospital administrators began to emerge as institutional leaders. In 1975, Alford recognized the shift in power but he does not document whether it was administration that led the movement or if the power evolved out of the shift to cost containment. Similarly, Starr (1982) predicted a drastic shift in the power structure of health care in 1982. Along with the increasing power within health care institutions, administrators also became more influential in the formulation of health policies. The emergence of this interest group may have effected a shift in the focus of health policy from one

that addressed the amount of care provided to one focused on the economic efficiency of health care (Alford,1975).

This change in attitude also stemmed from the failure of those involved in the creation of Medicare to anticipate the rate at which health care expenditure would increase or predict the demographic changes in the country. In 1966, 19.1 million aged persons were enrolled in Medicare. By 1982, this number had risen to 29.5 million. The proportion of the total population receiving Medicare benefits rose from 9.6% in 1966 to 12.4% in 1982. By 1982, nearly 97% of those over 65 years of age received some type of Medicare coverage compared to 82% in 1966. During 1982 alone, 1.8 million aged were newly enrolled in Medicare; of those who terminated their coverage (1.6 million), nearly all did so as the result of death (Medicare Program Statistics, 1984).

The number of persons who actually received reimbursement under the Medicare program more than doubled from 1965, the first year of the program, until 1982. At the same time, the number of Medicare recipients who were hospitalized increased from 18.5% in 1966 to 24.3% in 1982. The average annual reimbursement per recipient also increased from $592 in 1965 to $2,439 in 1982. The increase in the number of enrollees, hospitalizations, and per recipient reimbursement resulted in a large increase in expenditures for the Medicare program. The cost of the program increased nearly ten-fold from $4,239 million in 1966 to over $41,524 million in 1982 (Medicare Statistics,1984).

The majority of the money spent by Medicare was allocated to hospitalization costs. The federal government paid $39.4 million for hospitalization of the elderly in 1982. According to the Health Care Finance Administration (HCFA) projections, this figure was projected to rise to $150 million by the year 1990. Hospitalization coverage accounted for over 69% of monetary outlays for Medicare reimbursement by 1982 (Schweiker,1983).

As the outlays for the elderly steadily rose, the number of individuals in the workforce contributing to the Social Security Trust Fund (SSTF) began to decline. In 1950, 16 workers

contributed to the SSTF for every benefit recipient. During the 1960s this ratio shifted so that, for every recipient, only five workers contributed to the Fund. By 1980, three workers were responsible for the support of one recipient, and projections indicated that the ratio would be two workers per recipient by the year 2000. The amount of contribution necessary from each worker to support a recipient could become astronomical under these conditions (Fessler, 1981).

Escalating health care costs did not go unnoticed by the Federal government and Congress attempted many different strategies to control rising health care costs. Each solution offered to ameliorate the problem was either ineffective in achieving the goal of cost containment or unable to rally the support necessary to ensure its enactment.

In response to the fiscal inefficiency and expansionary ideology as referred to by Congressional members as the health care delivery mess, the Senate Finance Committee and House Ways and Means Committee agreed to attach a prospective payment mechanism for Medicare reimbursement to hospitals onto the Social Security Amendments of 1982 (Committee Reports H.R.1900). This new reimbursement mechanism revolutionized the U.S. health care delivery system.

Potential Ramifications of Prospective Payment

The health care industry has changed dramatically since the early 1980s when the federal government drastically altered the reimbursement mechanism used to pay hospitals for the care of Medicare patients. Prior to the adoption of new reimbursement regulations, the primary focus of the health care industry was to increase spending and thereby increase the amount of federal dollars received by the institution. Consequently, effective hospitals were those with significantly high degrees of accessibility with little to no concern about the cost. Quality of care was primarily defined in terms of quantity. Hospitals with more services, beds, technology than the competition were perceived to be better (Starr,1982).

The new regulation prospectively set hospital reimbursement for Medicare. Through the new regulations hospitals knew the amount of reimbursement that would be received for each patient based on the individual's diagnosis at the time of discharge. This allowed hospitals to forecast economic potential more accurately than when using the previous regulations for reimbursement. The policy also encouraged efficiency in that it allowed hospitals to keep any of the allocated funds that were not spent on the patient for whom the institution provided care (Conference Report No. 98-47). These two aspects of the new regulation revolutionized health care delivery in the United States (Starr,1982).

The new reimbursement policy had a significant impact on the health care delivery system as it had existed since the 1930s (Iglehart, 1986). Data from the first few years after the implementation of prospective payment system (PPS) indicated that the new reimbursement system was an effective mechanism for containing Medicare hospitalization expenditures. According to Iglehart, the effects of the PPS system were extensive. By 1985, the reductions in Medicare expenditures, about $40 billion, totaled 12% of all federal budget reductions, despite the fact that the program represented only 7% of federal outlays. President Reagan's budget proposal for fiscal year 1987 called for additional Medicare reductions of $5.2 billion. The Medicare system was able to absorb this cut (Iglehart, 1986).

Despite Medicare expenditure reductions, hospitals found that the economic incentives, as a component of prospective payment, were an effective management tool. The new prospective payment system improved clinical data collection and storage, focused the attention of administrators and physicians on resource consumption, and enabled many hospitals to realize a profit on Medicare business (Iglehart, 1986). Hospitals took steps to reduce expenses and the implementation of prospective payment led to a decline in the average length of stay in hospitals. There was also a substantial decrease in the length of stay per admission from 9.9 days in early 1983 to 8.7 days in the third quarter of 1985. Admissions to non-federal acute care hospitals fell from 9.58 million admissions in the first quarter of 1983 to 8.59 million by the third quarter of

1985 (Iglehart, 1986). The effects of the reduction in the length of stay and the decline in admissions are reflected in the occupancy rate of hospitals which fell from 74% in early 1983 to 63% by mid 1985 (Iglehart, 1986). Length of stay is the utilization measurement applied by the research team at Yale that conducted the original research on PPS. It was not viewed by the researchers as a means of evaluation of quality but rather a tool to determine resource consumption. Additional measurements of morbidity and mortality are not reported by Iglehart (1986), although he conceded that patients were being discharged 'quicker and sicker' following the implementation of PPS.

The finances of hospitals under prospective payment were not easy to determine because of conflicting reports, but early studies indicated that, despite the decline in occupancy, many hospitals appeared to prosper under prospective payment. According to a study conducted by the Inspector General's Office of the U.S. Department of Health and Human Services which examined hospital cost reports, hospitals had an average net profit of 14.12% in 1984. The importance of this figure is realized when it is compared to the prohibition of profits under cost based reimbursement (Senate Hearing 99-520).

Other initial health policy analyses of the impact of prospective payment were less optimistic than that of Iglehart (1986). Sapolsky (1986) claimed that the policy reflected the incongruence between the government's commitment to accessible quality health care and cost containment which threatened the entire health care delivery system. This was because the enactment of prospective payment gave the government an economic advantage in the health care delivery system which merely shifted the existing burden of rising health care costs to other federal programs, private insurance companies, and consumers. Sapolsky (1986) predicted that this shift may lead to the emergence of several unintended impacts.

The placement of increased economic burdens on inner city hospitals was one of the potential negative impacts cited by Sapolsky. He predicted that this would occur due to lack of sufficient numbers of privately insured patients to absorb the losses sustained when meeting the

government's demand for price control. Another problem that Sapolsky (1986) foresaw as a result of the enactment of prospective payment was the emergence of chains of day surgery clinics and emergicenters, which would skim high-price, low-cost, discount seeking patients from hospitals. This pattern of health care delivery would strip away profitable clients and destroy the complex web of cross-subsidies, which he believed supported teaching and services for the poor and rare or expensive illness (Sapolsky, 1986).

Newcomer, Wood, and Sankar (1985) evaluated the early ramifications of prospective payment and predicted impacts it would have on the organization of hospitals and community agencies. According to this research team, the management of hospitals changed significantly since the enactment of prospective payment. Greater economic efficiency became the focus of concern for administrators and caused readjustments in nursing staffing patterns so as to increase productivity. Certain economically inefficient services were eliminated or marketed to enhance profitability. An example of this is the elimination of ambulance services by hospitals since this tended to be a fiscally unproductive operation. This spurred growth of private ambulance services that offer contracts to hospitals in a specified geographic area.

Newcomer, Wood, and Sankar (1985) reported that vertical integration of services was another impact that prospective payment had on hospitals. Because of the increased discharges of patients who had not completed their episode of illness, hospitals were forced to develop their own home health agencies and skilled nursing facilities. Vertical integration could benefit hospitals because it would enable them to shift patients from high cost to a lower cost care settings, making money on both the sending and receiving ends. If a patient was discharged to the institution's skilled nursing facility, the hospital would be reimbursed the amount designated by the appropriate diagnosis and the expense of the skilled nursing facility would fall on another funding source within Medicare, Medicaid, or the patient's private insurance. Vertical integration economically benefited the hospital and created a positive public image because it was a mechanism that enhanced the appearance of improved continuity of care (Newcomer, Wood, & Sankar, 1985).

Another response to prospective payment was reported by Brown (1985) who asserted that a new form of activity identified as technocratic corporatism emerged subsequent to the implementation of prospective payment. Brown related this development to three changes caused by the shift of reimbursement from cost-based to price-setting. The three changes were: 1) prospective payment was the first occasion since the enactment of Medicare that gave program administration a fundamental role in shaping policy that changed the program; 2) the change gave Medicare administrators a new instrument that could enhance their role in the refinement, interpretation, and application of the system; and 3) the change moved the United States public health insurance system toward a loosely corporate style of negotiations (Brown, 1985).

The effect of these three alterations changed the government's role in the health care delivery system from one of claims processing to one of rate setting. This broadened the purview of Medicare administrators beyond insurance to medical practice. The new role required new skills among Medicare administrators who had to become able to identify opportunities for 'gaming' the system, realize the implications of demographic patterns on demand for services, interpret medical diagnoses, monitor quality, develop a severity-of-illness index, and analyze every aspect of the health care delivery system (Brown, 1985).

Regardless of the outcome of events, Brown predicted that under the prospective payment system, the federal government's leverage relative to the states had increased significantly. He encouraged federal administrators to study the situation carefully and grant states waivers to develop a health care delivery system that met the new demands created by prospective payment (Brown, 1985).

The drastic changes in the health care delivery system in 1983 created by the implementation of prospective payment changed the definition of effectiveness for health care delivery. Based on the new emphasis on cost containment within health care, new definitions and measurements of excellence have emerged. The definition focused on fiscal efficiency above all other parameters. This new perception has inspired several published reports. Unfortunately,

because the concept was relatively recently introduced into the health care arena, effectiveness theories are still in the rudimentary stages of development. Moreover, the research testing effectiveness tends to be descriptive and qualitative in nature.

The emergence of government regulations forced hospitals to redefine effectiveness in terms of fiscal efficiency. Following the adoption of a PPS for Medicare clients, hospitals were forced to engage in cost containment practices in the scramble for financial survival. The PPS was hailed as a major breakthrough to enhance the efficiency of health care delivery (Schweiker Report, 1982). Along with prospective pricing, PPS allowed hospitals to retain any funds acquired through services provided to Medicare recipients that were not expended for the care of the client. The impact of such regulatory policies was noted by the fact that the federal government was one of the largest third-party payers for health care in the country at the time. Therefore, in response to new federal reimbursement guidelines, the emphasis within the health care delivery system shifted to one that regarded financial solvency and possible fiscal growth as the paramount standard for efficiency.

This change led to the expansion of services provided by hospitals into the areas of outpatient surgery, home health care, ambulatory care, and urgent care which were not regulated under the PPS, as predicted by Sapolsky (1986). Institutional rationale for expansion or diversification of services had a direct impact on the fiscal stability of hospitals. Facilities that engaged in carefully contemplated change with a focus on institutional and regional strengths and weaknesses fared better than those that incorporated what appeared to be fads or changes that had no solid financial foundation. Weight loss clinics and ambulance services were two examples of services initiated without adequate planning. Effective expansion was guided primarily by cost-benefit figures that afforded hospitals the ability to determine what diagnoses were the most financially lucrative (Seckinger, 1991). Because hospitals expanded in areas outside of their previously narrow realm, they began to represent the entire health care delivery system.

Consequently, for the purpose of this discussion, the term hospital is used to represent the entire health care delivery system.

A New Definition of Efficiency

Prior to the adoption of prospective payment, the concept of fiscal efficiency was rarely addressed in health care delivery literature. Subsequent to the regulations that constrained spending and provided financial incentives for effective management, new parameters for evaluation emerged. The need for a new evaluation framework became apparent as many hospitals faced financial demise in the wake of prospective payment.

The definition of effectiveness, in terms of fiscal efficiency, is a relatively new perspective. Consequently, there is a limited amount of literature available on the topic. Current research attempts to identify efficient hospitals that could serve as models for similar institutions.

Before identifying efficient hospitals, the attributes that are encompassed by the concept must be discerned. Twelve attributes have been ascribed to the definition of an effective or financially efficient hospital (Nordal et al., 1989) Through the evaluation of an organization vis-a-vis these parameters, institutions hypothetically measured their effectiveness. The 12 attributes delineated by Nordal et al. include:

--management direction

--relevance

--appropriateness

--achievement of intended results

--acceptance

--secondary impacts

--costs and productivity

--responsiveness

--financial results

--working environment

--protection of assets

--monitoring and reporting

Management direction was the extent to which goals and objectives were clearly reflected in the decision-making process. The need for this approach to decision making became a major mechanism for survival because without adequate guidance during the change in direction of hospital administration, hospitals became financially insolvent. As previously stated, insolvency tended to be associated with management decisions that were not adequately researched and took on the appearance of tangents or fads. Institutions that avoided this had clearly outlined goals and objectives to which they strictly adhered.

Relevance was the extent to which services responded to institutional needs. Institutions were faced with the task of needs identification and prioritizing those needs, in most cases, for the first time. Consequently, the task of ensuring that appropriate needs were met in a timely fashion allowed hospitals direct operations to optimize outputs.

Appropriateness was identified as the extent to which programs, services, and efforts are suited to meeting objectives. Once the objectives or needs were delineated, it was imperative that administrators assessed whether or not those needs were analogous to overall institutional goals. Examples of specific goals that tended to optimize operations are offered in the next section of the discussion.

Achievement of intended results referred to the extent to which goals and objectives are attained. To maintain momentum and a sense of achievement within the institution, goal attainment became a means in itself. Again, these goals were based on a solid financial theoretical foundation by the institutions that effectively achieved financial efficiency.

Acceptance was defined as the degree of customer satisfaction. Prospective payment brought the concept of marketing and customer satisfaction into the health care arena. With the

potential benefits offered by serving healthy high priced-low cost patients, hospitals scrambled to attract their business.

Secondary impacts were the extent to which other consequences occur. Many hospitals, particularly teaching and urban hospitals, were hurt by secondary impacts created by prospective pricing of health care. This, in part, was due to the fact that only the high cost and usually more severely ill patients sought treatment at these institutions. It was also related to the fact that a greater percentage of patient care in teaching and urban hospitals was subsidized by the government than in private hospitals. The private hospitals could absorb losses from prospective pricing by shifting some costs to privately insured patients which constituted a significantly higher percentage in these hospitals versus public and teaching institutions.

Costs and productivity were defined in terms of the relationship between costs and output. Prior to prospective payment, hospitals were reimbursed for costs. Consequently, the relationship of costs to productivity were nearly irrelevant. However, with the adoption of prospective payment and the potential to retain a profit from services to Medicare clients, a new equation emerged. Hospitals that did not efficaciously respond to this new trend rapidly became financially vulnerable.

Responsiveness was perceived as the ability to adapt to change. This was essential if institutions were to be able to adjust to the new reimbursement, reporting, and recording regulations of prospective payment. Hospitals that were unable to adapt suffered financial losses, which led some to their demise. Several sources related tales of adaptations that saved their institutions from financial insolvency. They will be related in the next section of the paper.

Financial results were described as the cost accounting of services. Because of new cost accounting systems associated with prospective payment, institutions achieved a better understanding of the source of costs based on departmental budgets.

Working environment was defined as the extent to which the work environment was conducive to employee development, achievement, commitment, initiative, and safety. Along with

marketing skills, prospective payment forced hospitals to address mechanisms that optimized worker output through enhancing motivation in the work setting. This was particularly difficult in light of tensions within institutions created by a drastic alteration in the reimbursement mechanism of the federal government.

Protection of assets was the extent to which assets were safeguarded. Because hospitals had been reimbursed based on costs, the depreciation of assets had been nearly irrelevant prior to the implementation of prospective payment. With its adoption however, more attention needed to be given to the preservation of assets during the transition to the new reimbursement system. Inattention to the issue led to the demise of several health care institutions.

Monitoring and reporting was related to the extent to which key parameters related to performance and organizational strength are identified, reported, and monitored. The new system offered administrators more data regarding the costs of the institution and each of its departments. Institutions that realized how to use the new data to their advantage were better able to balance their budgets than their counterparts who did not.

These parameters of efficiency provided a glimpse at what emerged as the new definition of efficiency following the adoption of prospective payment. Although the framework was not well substantiated through empirical data, it provided a backdrop for the determination of what constitutes a successful health care delivery institution. Beckham (1990) provided a different yet not incongruent perspective in his analysis of the ten most successful or winning hospitals in the United States.

Beckham (1990) took a somewhat different approach to the identification of effective hospitals. He selected what he perceived to be the ten most efficient hospitals in the United States and examined each to determine common characteristics among them. Interestingly enough, although the characteristics provided more concrete or cookbook direction to organizations in search of a model than the work of Nordal et al. (1989), they did not contradict the attributes previously identified.

Beckham (1990) identified the ten most efficient hospitals in the country as being St. Thomas Hospital, Nashville; Beth Israel Hospital, Boston; Lutheran General Hospital, Park Ridge; HCA Wesley Medical Center, Wichita; Tampa General Hospital, Tampa; The Methodist Hospital, Houston; Barnes Hospital, St. Louis; Abbott-Northwestern, Minneapolis; Memorial Medical Center, Long Beach; Riverside Methodist, Columbus. The study distilled common characteristics of these institutions. The work identified the following attributes that enabled the institutions to be characterized as efficient:

--a confluence of talented physicians, managers, and board members

--meaningful differentiation

--scale

--consistency, constancy, and concentration of purpose

--visible leadership

--purpose and pride

--advanced clinical capabilities

--integration of hospital and physician interest

Specific examples offered insight into the actual role each attribute played in defining efficiency. According to Beckham, good fortune brought together the right people at the right time in the right place. He perceived this to be based on the good fortune of efforts for achieving excellence during early development of the institution. The person most often responsible for this outcome was the Chief Executive Officer, who had a far more significant role in the administration of post-prospective payment hospitals, as predicted by Brown. Early recruitment of excellence was paramount because excellent doctors attract more excellent doctors, while likewise, mediocrity also tended to reinforce itself. An example of this was offered in the case of Abbott-Northwestern Hospital in Minneapolis. According to Beckham's research, Gordon Sprenger, Chief Executive Officer, described the early days of the institution when it was two independent hospitals. Committed physicians with a vision of state-of-the-art medicine delivered far from the medical

meccas of Boston and Baltimore brought the institutions together to give the new singular hospital the essential size. The vision of these physicians was built on a foundation of excellence, according to administrators interviewed by Beckham. On the other hand, institutions that administrators perceived as having mediocre medical staffs tended to foster mediocre care because of the threat excellence engendered in the status quo.

In other institutions, Beckham reported that management forced the institution to foster excellence among physicians. An example of this was the case of Lutheran General's success. The choreographer in this drive for excellence was George Caldwell, Chief Executive Officer, who facilitated in a conscious fashion the growth of the teaching program and expansion of multi-speciality group practice into the largest in Illinois.

Beckham described differentiation from other institutions as the major cornerstone of marketing theory, a competitive strategy, and the key ingredient in the success of hospitals studied. Successful hospitals made themselves different in ways meaningful to their customers. This is not to be confused with expanding without a long-range plan or direction. These hospitals had a plan which some institutions lacked. That is, the facility did not engage in experimental or faddish fund raising activities such as weight reduction programs. Quality was the most powerful and most sustaining point that differentiated successful hospitals from those that were held in less high acclaim. Quality was comprised of two components: technology and expertise.

Even if these two components could not be used to differentiate a hospital, as in the case of Beth Israel Hospital's drive to distinguish itself from another Boston hospital (Massachusetts General), other operational objectives were employed to respond to the quality components. The concept was substantiated in the case of Beth Israel. The institution set itself apart with its commitment to nurses and deep concern for patients. This placed Beth Israel in a position of excellence that created the image of the hospital to be 'the best hospital in Boston.' The positive impact of this response to quality is evidenced by the fact that Beth Israel has not faced a nursing

shortage despite national trends that reflected a serious gap between supply and demand for nurses (Friss, 1988).

Beckham reports that Napoleon's observation that 'God is on the side of large battalions' held true for hospitals also. Big was nearly always better, meaning any size over 500 beds gave each hospital a clear competitive advantage. The larger size allowed hospitals economies of scale, which in turn created lower costs, better productivity and theoretically higher quality of care related to higher patient volume. This was identified because larger hospitals concentrated scarce and expensive technology in one location thereby spreading high costs over significantly more patients. Large hospitals, therefore, were able to increase their resources and fund innovations that were not available to small hospitals. Size also delivered the advantage prestige in the eyes of consumers, physicians, and competitors. Beckham concluded that size delivered volume and volume appeared to deliver quality, although quality of care was not specifically measured by Beckham.

In terms of concentration of purpose, Beckham advised that successful hospitals tended to view change and fads with caution. They stuck to the basic purpose of the institution and carefully research new programs prior to adoption. Examples of the success of this approach included the efforts of Memorial Hospital in Long Beach to move to contracting for services. Although others have made this move, Long Beach embraced the change with 'single-minded determination and success. Beth Israel doggedly pursued building what is described as the best nursing staff in the country. Lutheran General sought its goal with equal vigor as it expanded its multi-specialty clinic, the foundation for which was based on the fiscal opportunities inherent in some of the prospective payment-based diagnoses. Riverside and Abbott-Northwestern embarked on marketing campaigns that placed their institutions in the minds of consumers.

The need for strong leadership became essential for the establishment of an excellent health care organization after the implementation of prospective payment. All of the hospitals studied by Beckham had a central source of leadership. Although each had a unique style of leadership, they did have some common attributes. Integrity was one of those attributes. Each leader displayed a

fair and consistent code of behavior. Another characteristic of each was a personal philosophy about people and management that guided decisions. The philosophies were not similar but the position of each was clearly articulated and shared with all employees of the institution. Each leader also evidenced symbolic behavior that reminded employees of the leaders' commitment to institutional goals. Tough-mindedness was an attribute of all of the leaders. Although input was welcome, leaders made decisions with the sole purpose of institutional sustenance as the guiding force. Successful hospital leaders also held in high regard what many refer to as soft stuff. That is, they took the mission statement and organizational culture very seriously.

A sense of purpose and pride was another component associated with a successful hospital. The hospitals that were designated as "winners" by Beckham were: "full of themselves" (Beckham,1989, page 22). Enthusiasm exuded from the walls giving the institution the confidence necessary to weather inevitable setbacks. An example of this confidence was the fact that when Memorial Hospital was planning for a new MRI facility, they made room for two because they were that confident of success.

Each hospital developed advanced clinical capabilities that would enable them to establish a unique niche in which they were exceptionally qualified. The ultimate niche to which each aspired was open heart surgery programs. For many, it was their single clinical service that provided the majority of revenues and profits. The area of clinical expertise often funded subsequent expansion into new clinical specialties while creating the reputation of excellence.

All of the efficient hospitals also integrated the institution's interests with those of the physician. The loyalty of the physicians to the organization was the result of a sense of ownership that was engendered through participation. A partnership forged from a pragmatic recognition that there were overlaps between the interests of each group was a key to success. Physicians were treated like family by administration with an emphasis given to building a personal relationship between the two groups. Administration served special luncheons for physicians where both could

share their perceptions of the needs of the hospital and areas for potential financial growth. Chief Executive Officers recognized the need to cater to and promote an excellent medical staff.

Preliminary work done by Beckham offered a framework for survival and possible growth for hospitals faced with a serious financial crisis following the implementation of prospective payment. New issues regarding efficiency and effectiveness emerged as major concerns. It is noteworthy that of the ten most efficient hospitals identified by Beckham, only one was a public institution, Tampa General Hospital. All of the others identified were private institutions which, as predicted by initial analyses of the effects of prospective payment, were more readily able to adapt to the new reimbursement mechanism. That did not necessarily indicate that public institutions similar to Tampa General were unable to accommodate the change, but the road to the success was fraught with far more regulatory constraints than their private counterparts.

Other hospitals that recovered from financial crises following the initial adoption of prospective payment have described their experiences on the road to fiscal recovery (Johnson, 1990). Although each did not specifically follow theories or guidelines such as those previously discussed, their stories document the validity and relevance of preliminary work done in the area of efficiency and effectiveness evaluations in health care delivery organizations (Coyne, 1990).

One institution that pulled itself out of financial decline was Santa Rosa (California) Hospital, California. The institution transformed a deficit of $14.5 million in fiscal year 1987 to an estimated profit of $4 million for fiscal year 1989. During that time span,
Santa Rosa Hospital's market share increased from 13.8% to 17.5%. The management practices cited as the key to this success were analogous to the guidelines previously offered by Beckham and Nordal and included:

--Chief Executive Officer and senior management leadership

--Decentralized decision making

--Focus on simple clearly defined objectives

--Accountability

--Teamwork and collaboration

--Close monitoring to manage expenses (Johnson, 1990)

In accordance with these guidelines, the first step taken by the Chief Executive Officer was to hire a senior management team and lay-off about 300 mid-level managers and support staff. Nursing and medical staff were not cut in order to ensure quality care. Focus was placed on developing a sense of autonomy for each of four separate units that constituted the institution. In an effort to promote physician autonomy and satisfaction at each unit, all of the four individual units that comprised the hospital were given increased autonomy and accountability. This was done in lieu of forcing all units to adhere to the same institutional rules. New data collection and monitoring systems were installed to allow administration to more closely monitor productivity and department performance. This allowed managers access to more fiscal data to plan and audit units as they grappled with identifying sources of revenues and expenses (Johnson, 1990).

The steps taken by Santa Rosa Hospital mirrored the advice of Beckham in several aspects. The Chief Executive Officer was a strong leader willing to make difficult decisions in order to guide the facility toward the goal of financial solvency and operational efficiency. New methods to monitor budgets and hold units accountable for their spending also assisted in the achievement of the goal of increased fiscal efficiency. Careful attention to maintaining quality also provided a foundation of institutional pride in quality during the arduous process of adaptation to new regulations. Similar stories further substantiate descriptive studies on health organization effectiveness (Coyne, 1990; Koska, 1990).

Another health care organization success story focused on St. Luke's Hospital in San Francisco. What the Chief Executive Officer did for this institution was clearly to identify the needs of the community and transform the institution into the only one in the vicinity that met those needs. This differentiation based on community needs provided a foundation and support mechanism for the subsequent financial solvency for the organization. As prescribed by the

administrators queried by Beckham, St. Luke's found a financially efficient niche and dug into that position (Johnson, 1990).

Simon and Cohen (1989) reported additional evidence of organization effectiveness in the health care industry. The primary restructuring mechanism employed by Summit Health Group of Gibbsboro, New Jersey, was that of diversification through differentiation. To achieve the goal of financial solvency and subsequent identification as a winning hospital, administrators sought a niche and employed marketing experts to inform the public of the new institutional function.

Coyne (1990) echoed the advice of Beckham in prescribed steps that enabled institutions to attain an efficient and effective health care organization. The basic premise was innovation as a competitive advantage. The definition of innovation was cited as one that promoted a carefully planned, goal oriented effort to diversify in a manner that provided the institution with a service that set it apart from its competitors. The concept of chiseling a niche and fortifying the institution was once again advised for success (Coyne, 1990).

Yet another institution established guidelines analogous to those of Nordal et al. (1989) and Beckham (1990) in an attempt to become more efficient and effective. Parkland Memorial Hospital in Dallas, a public urban teaching hospital was hit hard by prospective payment. Instead of competing for more technology with private competitors, Parkland established a primary care center to meet health promotion needs of the citizenry, thereby differentiating itself from other organizations while meeting the most essential health care in the nation. Response to the need for access into the health delivery system provided the organization with it own niche (Koska, 1990).

Summary

The effectiveness of health care organizations has evolved from an accessibility basis to a fiscal efficiency basis. The evolution of health care organizations emerged in response to shifts in the focus of national health policy, particularly the manner in which public funding flows into the health care industry.

A brief review of the developmental history of U.S. health policy sheds light on the rationale for a shift in the definition of effectiveness of health care. From the 1930s until the mid-1970s, health policies focused on the expansion of services. The focus created the parameters for effectiveness. That is, effective health care was designated in terms of the amount of available services. A new focus of health care emerged in the mid-1970s and early-1980s that altered the manner in which health care effectiveness was measured. Financial efficiency became the primary measurement for organization effectiveness. Health care delivery in the United States that focused on expansion of services and accessibility of care was dramatically changed in 1983 with the adoption of prospective payment to hospitals for care provided to Medicare recipients. Following the implementation of the regulations, hospitals were forced, for the first time, to address issues of efficiency and effectiveness.

Based on these new parameters, several characteristics have been attributed to effective health care organizations. They include: a confluence of talented physicians, managers, and board members; meaningful differentiation or diversity; appropriate scale or size; consistent and concentrated sense of purpose; strong visible leadership, purpose and pride among organization members; advanced clinical capabilities; and integration of hospital and physician interests. Each characteristic has been identified as contributing to the effectiveness of contemporary hospitals.

Although empirical data are limited, recurring characteristics which seem to predict an institution's potential for success include strong leadership, careful fiscal monitoring, esprit de corps, and diversification. Additional research is needed in order to empirically substantiate these characteristics and to develop prescriptive models of effective health care delivery organizations.

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ORGANIZATIONAL CHARACTERISTICS OF EFFECTIVE SCHOOLS

A Review of Related Literature

by

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INTRODUCTION

Since the last MEEP document many important studies have been conducted which advance our knowledge of effective schooling. An attempt has been made to address some of the criticisms of past reviews of the school effectiveness literature (see pp. 4-7) by including more results from secondary schools, examining context and non-cognitive outcomes of student achievement as variables of school effectiveness, and including more multivariate studies. There are several terms used synonymously in reference to the research on effective schools which will be used interchangeably in this chapter. These include: school change, educational innovation, school improvement, school reform, school restructuring, and school organization.

The material is organized in the same order as the original nine organization characteristics with suggested wording changes made in the summary portions at the end of each section.

Definition of Effective Education Organization

Based upon the literature review for this chapter, the following definition was written.

> An effective education organization is one with a clear sense of purpose, goals, and expectations for all aspects of student achievement. Throughout the school district operates a philosophy of overall shared leadership which facilitates, monitors, and evaluates the progress toward these high goals and expectations. Teachers are empowered as professionals who participate in educational decisions.

Fraser (1989) asserted that the productive classroom depends on the coordination of many aspects of the instructional process and curriculum. In an effective education organization, there is a thorough staff development program responsive to all aspects of the educational process. Staff, administration and parents are involved in collaborative planning and decision making about curriculum, instruction, and policy.

Definition of School Effectiveness

A common understanding of what is meant by school effectiveness in the literature is an important starting point. A school's effectiveness is defined by the students' achievement level,

and raising the level of achievement is the focus of much of the relevant literature (Hoeben, 1989). Stedman (1987) and Hallinger and Murphy (1985) defined effective schools as those in which students achieved significantly above average on basic skills tests compared to similar schools or to schools that had scored near or above national norms for many years. Practitioners use descriptions of students' achievement levels as indicators for the school's effectiveness and as a beginning-point for school improvement decisions (Hoeben, 1989).

Combining Effective School and Effective Instruction Research School improvement efforts should begin by examining the research findings on the organizational aspects of schooling as well as the instructional aspects. Because of the complexity of education, knowledge of classroom instruction must be integrated with other knowledge about effective schooling in order to be useful. Productive classroom learning depends on the coordination of many aspects of the instructional process and curriculum (Fraser, 1989). In comparing the research on educational innovation and school effectiveness, Hoeben (1989) recommended that theories on school effectiveness should concentrate on the ways factors can improve instruction so as to contribute to higher achievement of students. Theories of school change or educational innovation, rather than focusing on stages of adoption, implementation and incorporation, should give more attention to influences of innovation on instruction, especially on its effectiveness. School improvement should focus on improving instruction by using available research (Fraser, Walberg, Welch, & Hattie, 1987). Hoeben also recommended that educational leadership and innovation should be seen as a function of the improvement of instruction. Just as there are no effective schools without effective teachers, there seems to be no successful innovation without effective teachers. In other words, effective teachers are a necessary ingredient for effective schools.

Research does not give us firm prescriptions that apply to all situations but it can provide a better understanding of practice and behaviors that might be appropriate in a situation, and a better conceptualization of an issue. It is important that teachers have access to recent research-based

knowledge and that they reflect and form their own ideas about the value and relevance of the knowledge to their contexts (Good, 1989).

Fraser (1989) reviewed several school effectiveness studies where the measure of school effectiveness was student achievement defined by cognitive outcomes. The aim of the review was to identify factors leading to improved student achievement so that schools can be changed to maximize factors leading to improved student performance. Fraser concluded that, rather than a single dominant factor, several factors combine to influence national achievement. These include several alterable factors such as motivation, quality of instruction, quantity of instruction, class environment, and mass media environment as well as some unalterable factors including ability, home environment, gender, and race. Fraser recommended improving all the alterable factors using available resources as efficiently as possible, rather than attempting to improve only one factor. He also affirmed the notion that the teachers and schools can alter factors used to influence student outcomes.

In looking at the characteristics of effective schools, Rutter (1983) supported the notion of a holistic perspective and reported that the correlation between the combined measure of overall school process and the outcome measures of student attendance, achievement, and conduct are much stronger than the correlation between any individual school process variable and outcome measure. It is the combination of variables that creates the climate and set of values and behaviors characteristic of a school.

Use of Resources

Several studies show that the school students attend can make a significant difference in their education (Good & Brophy , 1986). Research clearly indicates that the utilization of resources is more important than the amount or level of resources available in schools. In other words, one should examine how the resources are used in the schools.

Cautions and Limits of Research

Rosenholtz (1989) claimed that the keys to successful schools are not fixed strategies; specific teaching methods and curricula are not the panacea. Rather, these are "alternative ingredients to the diversified classroom or school" (p. 219). Successful schools value reflection, variation, and empowerment rather than dogma, routinization, and censorship.

Grady, Wayson, and Zirkel (1989) presented some of the criticisms of the effective schools movement as caveats to those who turn mainly to the literature on effective schools to create their own effective schools:

1. The formula for effective school characteristics is too simplistic. What goes on in an effective school is difficult to summarize with a brief list of characteristics. Creemers and Reynolds (1989) pointed out that there has been little or no attention given to the relative strength or order of influence of the variables affecting quality schools. One must not look to the literature as simple prescriptions for school improvement. Many of the observations made about effective factors are dependent on the local or national context of the school concerned. Rather, it is best to keep a holistic perspective and to use the literature as a starting point, as a set of concepts to guide educational planning (Creemers & Reynolds, 1989; Good, 1989; Grady et al. 1989; Rosenholtz, 1985).
2. The research is not as clear as it claims to be. There is a need for more long-term, multivariate studies designed to trace causation. The characteristics are to be viewed as correlates, not causes of improved school achievement.
3. Promises of quick results are misleading. Effective schools develop over a period of time with constant attention to changes within the school and careful maintenance of the processes and relationships (Murphy, 1985).

4. Elementary schools in urban settings with large proportions of disadvantaged students have been the main focus of past research. More attention needs to be paid to the middle schools and secondary schools.
5. Too many programs concentrate on limited educational outcomes, such as standardized test results, as most of the research on effective schools is based on student achievement as measured by standardized achievement tests. Creemers and Reynolds (1989) are concerned that much of the school effectiveness research concentrates on academic outcomes at the expense of social outcomes and social development--which determine academic achievement. Sound efforts to raise achievement scores would improve public confidence, staff morale and school climate (Grady et. al., 1989). Good and Weinstein (1986) also cautioned against limiting the research on the effects of instruction to what is currently taught in schools. Because of the computer's role in accessing information, the role of the instructor is shifting from a provider of concepts and information to one which helps students develop analytical skills for critical evaluation of information; it is difficult to measure such skills with standardized achievement tests. Creemers and Reynolds (1989) asserted that more attention should be given to relating theory to practice, to relating findings of research to the lives of policymakers and practitioners in the schools.
6. Authoritarian techniques and purposes are promoted by the Effective Schools guidelines. For example, Clark and Astuto (1985) found that an emphasis on test scores fosters authoritarianism. An emphasis on strong leadership in the principal's office and frequent monitoring can lead some administrators to impose much control over teachers and students (Levine & Levine, 1986). Such forms of control are not strongly correlated with greater achievement (Keedy & Faucette, 1987-88; Rallis & Highsmith, 1986). What is needed is more shared leadership. As the staff shows more skill and commitment, the leader becomes more participative. High and Achilles

(1986) reported that as achievement increased over time, principals turned more control over to teachers.

7. School improvement programs encourage manipulation of data to show results. Test scores can be raised without increasing student learning. As a result, good school programs must promote education outcomes that include, but go beyond, test scores. Wayson, Mitchell, Pinnel, and Landis (1988) pointed out that test scores should increase with an effort to help a greater range of students learn more effectively; but, increased achievement does not automatically result from focus on test scores. Research should be assessed with caution and the need for continuous improvement should be recognized. Policymakers should take care not to create false expectations for principals or their school.

Cruickshank (1990) outlined a few more criticisms:

1. The nomination of exemplary schools tends to make bias a major concern as there may not be evidence to support their excellence.
2. When schools are told that they are to be involved in effective schools research, it is possible that teaching to the test may take place.
3. Using standardized test scores as the only outcome measure does not mean the schools are also effective in other outcome measures such as graduation rate, pupil-teacher ratio, class size, teacher abilities, and pupil attendance.

Cruickshank (1990) concluded his criticisms with the note that while effective schools research findings need to be viewed tentatively, they do confirm the shared professional wisdom in education and do have value for teachers. Teachers can benefit from reflecting on research done in settings similar to their own. Being informed about effective schools research allows one to reflect on it, to analyze how it is conducted and whether it is valid, and to ask how it may serve one better.

Improvements Made in Research Design

At the same time as acknowledging the problems of past research, it is appropriate to affirm the improvements which have been made. In reflecting on the proceedings of the Second International Congress for School Effectiveness held in Rotterdam in 1989, Creemers and Reynolds (1989) affirmed the major improvements of recent years in design of school effectiveness research. Studies are looking at many variables affecting the quality of a school as opposed to one or two variables examined in earlier studies. More studies are looking at improvements made over time and are using multi-level methods of analyses which acknowledge the complexity of education. Fewer studies are focusing on resource variables and are more concerned with quality issues.

How other Countries Approach School Effectiveness

One must recognize that research on school effectiveness is an international effort. The Netherlands appears to be at the forefront in this area. As of 1988, the policy of the Dutch government seems to be supportive of greater autonomy for schools in the future. The budget allocated to schools depends on the number of students and the number of low-SES and ethnic minority students. Schools can decide whether or not to consider school effectiveness factors when establishing their school policy. The government funds an extensive evaluation of educational priority areas with the intention of getting students within these areas (mainly children from lower-SES backgrounds) to achieve at levels equal to other areas of the nation (Creemers & Knuver, 1989). Tesser and Van der Werf (1989) reported that the education priority program provides schools with extra teachers in proportion to the number of students from lower income and ethnic minority families. The program also provides priority areas with extra facilities; these priority areas are determined by schools in cooperation with educational and welfare agencies.

Creemers and Knuver (1989) also reported that several school improvement projects have been started in the Netherlands. For example, the use of classroom consultation has been found to be an effective technique to influence curriculum implementation and student achievement. While it

was not specified who provides the classroom consultation, teachers receiving classroom consultation had the highest implementation of a new math curriculum in the primary schools and their students showed the highest achievement. A classroom consultant observes the lessons and provides teachers with feedback on their behavior.

Nuttall (1989) described an interesting approach to school effectiveness by the Inner London Education Authority (ILEA). The ILEA has two objectives: improving the quality of education in school and colleges, and making more equal learning opportunities for every student regardless of sex, race, or social class. Effectiveness is defined by the relative progress made by the students at each school or the value added by the school. Common outcome measures are based on a test of reading ability for the junior schools and the public examination results for the secondary school (taken at ages 16 and 18). Each school is required to publish its examination results in a standard form. Scores are aggregated to form a single examination score for each pupil and then a single score for each school. Scores are adjusted according to family poverty, verbal reasoning for the top 25%, and the percentage of girls (who consistently do better than boys). Adjusted scores are published in London's main newspaper. Schools with lower scores than expected are visited and the results are discussed in detail. Schools with higher scores than expected are congratulated and studied to determine if factors contributing to success might be used by other schools. The examination results reflect only a partial measure of school success, i.e., they do not reflect students' personal and social development.

In summarizing the school improvement efforts made in Canada, Sackney (1989) noted that many of the models use the school effectiveness research as the basis for school improvement. Several models use a developmental perspective by incorporating teacher effects, staff development, and change literature.

A study (Scheeren, Nanninga, & Pelgrum, 1989) was conducted to test the generalizability of instructional and school effectiveness using mathematics achievement results as indicators across five nations: USA, Sweden, France, New Zealand, and the Netherlands. 'Positive

expectations of students' achievement' and 'opportunity to learn' are the two, out of the 15, factors examined which show a consistently positive association with mathematics achievement. In contrast with other literature on effective schools, 'frequent evaluation,' 'teacher's experience,' and 'time-on-task' were found to have weak or inconsistent effects. Socio-economic status (SES) had minimal effects. Their data supports that the case for 'effective classrooms' is stronger than the case for 'effective schools.' 'Educational leadership' and 'school policy' were not included in the data set.

As studies from other countries are numerous and make important contributions to the school effectiveness literature, several more will be reported in conjunction with the specific organizational characteristics to which they relate.

Planned Change in Schools

In the process of improving schools, many changes will take place and there will be resistance. Harvey (1990) pointed out several causes of resistance to change and some possible antidotes for the causes:

Cause	Antidote
1. Lack of ownership-- when change is imposed from the outside.	It is better to involve others in what to change and how to best make the change.
2. Lack of benefits-- advantage for themselves;	Teachers need to perceive payoffs (in or the form of new resources or psychological benefits) will result as a result of the change.
3. Increased burdens-- that may limit time, money and energy	Lighten their load.
4. Lack of top-level support-- in the form of understanding, commitment, and resources from leaders;	Work for top brass support.
5. Loneliness--	Collegiality; Support and company is needed for change efforts;

6. Insecurity-- Change is perceived as threatening, may result in loss of job...	Change that enhances security is more successful;
7. Incongruence with norms and culture of organization--	Congruences with norms and culture of organization;
8. Boredom--	Present change with enthusiasm;
9. Chaos-- Loss of control	Change that creates the perception of more control is better accepted;
10. Superiority-- Change instigated by those who come across as superior;	Empathy
11. Differential knowledge--	People need to feel they have equal information;
12. Lack of recognition--	Recognition must be given to those likely to resist change; involve them;
13. Sudden, wholesale change--	Gradual change;
14. Failure-- Leaders tell staff what they are doing wrong;	Give affirmation for success;
15. Extremes of organizational structure-- high decentralization or high centralization;	Moderate centralization, formalization, or stratification.

Harvey (1990) outlined the steps in the change process, beginning with analysis of the change. The steps under analysis include description, need, potential actors, payoff, unfreezing, resistance, investment, and culture. The second major step of change is planning of actual changes, change strategy, resistance strategy, participation, excitement, change environment, and scope. The third major step is implementation and evaluation which encompasses advocates, time frame, monitoring, action plans, and risk analysis.

Harvey (1990) recommended that every change effort should be be made by a collaborative team of five to ten members who represent all those significantly affected by the decision. He also describes a directive collaboration process which he recommends for long-term, effective change.

This style calls for a change manager to keep issues focused but also to promote participation and involvement (see Collaboration, p. 34).

Sackney (1989) acknowledged the difficult, slow, and often frustrating experience of improving school effectiveness an experience which requires a sustained effort and commitment. In the beginning stages there is significant enthusiasm but this wanes over time, a trend known in the change literature as the 'implementation dip.' The planned stages of school improvement are described as (1) sensing/initiating the program, (2) diagnosing/assessing the problem, (3) developing strategies to overcome the gaps/weaknesses, (4) implementing the strategies, and (5) monitoring/evaluating the outcomes.

Program Implementation

Research for Better Schools, Philadelphia, conducted a study (D'Amico & Corbett, 1987) of the implementation process in 14 schools. The study concluded that differences in school organization and climate cause differences in the success of school improvement. Context can undermine an improvement effort and make it unsuccessful, or context can help an improvement attempt and make it successful, or, once context has been addressed and analyzed, it can be adapted to become supportive of the improvement effort. Eight factors of school context that influenced success one way or the other, were identified: Resources, incentives, linkages, priorities, factions, turnover, current practices, and prior projects. Based upon their research study, the researchers made recommendations for each of the factors on how to modify context to support improvement efforts. The recommendations included:

1. With regard to resources, it is suggested that staff be convinced about the seriousness of their improvement effort. Those proposing the changes need to become forcefully involved with the staff by attending meetings, communicating with them about their efforts, and encouraging them to become involved. To make staff involvement easier, it is also recommended that the staff be provided with unobligated time for creative

thinking and planning away from their students. In addition, financial, material, and support services for the improvement efforts must be provided.

2. For the incentives factor, they recommend that change leaders work with staff to help them succeed and then affirm and encourage staff for successful improvement efforts.
3. Pertaining to linkages, it is suggested that if there are few informal linkages, structures be created that encourage formal linkages. For example, the management team members can gather formally at monthly meeting to discuss school problems and needs. Such formal interactions may evolve into informal ones.
4. With regard to priorities, the improvement effort should be very high on everyone's list. This may involve much speaking in favor of the change with teachers, school board members, the superintendent, and the principal.
5. Factions--Before initiating a school improvement project, it is recommended that the unproductive tension among school factions be reduced and then channeled to contribute to effective implementation of the improvement efforts.
6. Turnover or threat of turnover should be minimized wherever possible. They recommend not involving staff who are likely to move.
7. Current Practices--Any dramatic changes should be introduced through a low-key, informal approach. Staff should be eased into new behaviors or skills and, if possible, the stage should be set so that the changes come from the staff when they are ready. Success and support at some level should be built into every phase of the improvement process.
8. Prior projects--To assure longevity, commitment, and motivation, new improvement projects should be linked to current projects to make them seem like one continuous improvement effort (D'Amico & Corbett, 1987).

The conditions necessary for restructuring include: significant outlay of resources and creation of broad-based local coalitions of union, community leaders, district administrators, and school practitioners (David, 1990).

Efforts were made to review literature related to each of the nine organizatior.al effectiveness characteristics of the Minnesota Educational Effectiveness Program. Results of that review are presented in the following sections.

COMMON SENSE OF PURPOSE

In a study of 79 California high schools enrolling low-ability students, it was found that the faculty at higher achieving schools shared a common sense of purpose which guided curriculum development and also influenced procedures in the classroom and administration (California Assembly Office of Research, 1984).

Clear Organizational Goals

In examining the claim that some schools are more effective than other schools, Rosenholtz (1985) stressed the importance of clear organizational goals. In effective low-SES schools, principals and teachers were found to combine their efforts to increase student achievement through rational planning and confident, bold actions. Principals provided teachers with clear and common objectives and with the technical resources and time needed for planning improvement efforts.

In their study of secondary schools and the central office, Miller, Smey-Richman, and Woods-Houston (1987) emphasized that there is no specific approach districts should follow in establishing clear goals and core values. Rather, emphasis should be on what should be done instead on how to do it.

Harnisch (1985) used a sample of 18,000 public high school students to determine factors associated with effective high schools. Higher achievement scores were found in schools that tended to have greater academic emphasis.

High Expectations

While it should be noted that uniform high expectations were not found to be an ingredient for effective schooling (Teddlie, Stringfield, Wimpelberg & Kirby, 1989) study, there is still, ample support for high expectations in the literature (U.S. Department of Education, 1987; Yelton, Miller, & Ruscoe, 1989). In the Corcoran and Wilson (1986) study of effective secondary schools, it was observed that major changes in academic expectations were often the first steps for starting schools on their road to excellence. Learning opportunities for students can be enhanced by increasing minimally acceptable achievement standards. Some of the ways successful secondary schools reinforced higher levels of achievement included holding special recognition assemblies, setting up academic halls of fame, sending notes and letters of congratulations for all types of achievement, publishing and displaying student work, student-of-the-week recognition, a perfect attendance award, a student recognition luncheon, and printing names of honor roll students on the school sports programs.

The superintendent plays a key role in creating a district climate nurturing high expectations for students. In 75% of the effective districts studied, Peterson, Murphy, and Hallinger (1987) found the superintendent established supportive structures to facilitate the use of an instructional model based on research linking teacher expectations and student achievement.

A 1988 Netherlands study of 53 schools found higher aspiration levels set by teachers for their students learning achievement tended to lead to higher test scores (Creemers & Knuver, 1989).

Scheeren, Nanninga, and Pelgrum, (1989) conducted a study to test the generalizability of instructional and school effectiveness using mathematics achievement results as indicators across

five nations: USA, Sweden, France, New Zealand, and the Netherlands. 'Positive expectations of students' achievement' and 'opportunity to learn' were two of the 15 factors examined which showed a consistently positive association with mathematics achievement.

Context

The contextual differences within schools need to be considered before reflecting on the results of the effective schools research. Cruickshank (1990) urged readers to be mindful of the correspondence between samples of students used in the studies and their schools before drawing any applications for the reader's school(s). Much of the effective schools research was conducted in low socioeconomic status (SES), urban schools so the implications for suburban schools are uncertain. Another concern is that research regarding school effectiveness in the secondary schools is not as abundant as that in the elementary schools. Acknowledging that such contextual differences need to be considered, Teddlie, Stringfield, Wimpelberg, and Kirby (1989) examined contextual differences in models for effective schools in in the USA. Context was defined as several factors: SES, grade level configurations, geographical characteristics, public versus private school, student-body composition or the type of school. They concentrated their study on the SES context variable as more research has used this variable than any other and some recent research has looked at schooling effects across different SES levels (Hallinger & Murphy, 1986).

Two questions directed the Teddlie, Stringfield, Wimpelberg, and Kirby investigation: (1) are the characteristics that define effective schools in one context the same as those found in others, and (2) are methods that produce an effective school in one setting the same as those that should be utilized in another setting? In regard to the first question, it was found that regardless of SES context, there are some correlates of school effectiveness that are the same: clear academic focus and mission, orderly environment, frequent monitoring of student progress, and high engaged time-on-task. Many of the results were drawn from the Louisiana School Effectiveness Studies (LSES) conducted with students in the third grade. The LSES show that teachers'

expectations for future educational success differ in effective middle- and low-SES schools. In middle-SES schools teachers held very high future and current educational expectations for their students, while in effective low-SES schools teachers held high current, but more modest future educational expectations for the future of their students. Similar results were found in research conducted in California (Hallinger & Murphy, 1986). These results are to be noted because previous school effectiveness models state uniformly high expectations are an ingredient for effective schooling.

Further evidence supports this trend. The LSES also found teachers in the middle-SES group speculated their students will go further in school than did teachers from the effective low-SES group. Interestingly enough, the effective low-SES group achieved more than the ineffective middle-SES group. The students in the low-SES effective group believed they could do well at the third grade level and in their future schooling. These and other results from the LSES are summarized in Table 2-1.

Table 2-1

Characteristics of Effectiveness in Middle- and Low-SES Schools

Middle-SES Schools	Low-SES Schools
1. High current and future educational expectations are promoted	1. High current educational expectations are promoted. Assure students believe they can do well at their current grade level. Let high future educational goals develop later.
2. Select principals with strong managerial skills. Increase teacher ownership of and responsibility for instructional leadership.	2. Select principals who want to and will make changes in the schools. Affirm principal for a more active role in monitoring classrooms and providing overall leadership in instruction.
3. Discourage visible external rewards for academic achievement as students should get this at home.	3. Increase the external reward structure for academic achievement and reinforce high achieving students.
4. Expand the curriculum beyond the basic skills.	4. Offer other courses only if basic skills have been mastered.
5. Increase community contact. Urge parents with high educational expectations to press for school achievement.	5. Evaluate the effect of the community, if it does not exert a positive press for school achievement, create boundaries to protect the school from negative influences.
6. Hire more experienced teachers.	6. Hire younger, more idealistic teachers. Authorize the principal with more power in selecting school staff.

(Teddlie, Stringfield, Wimpelberg, & Kirby, 1989)

The second question directing the Teddlie et al. study had to do with the consistency of techniques used between differing SES contexts. The evidence from the Teddlie et al. study indicated that the techniques used to create the most efficient and effective schools will differ

depending on context. Thus, school improvement models or techniques should be sensitive to contexts. The authors of the contextual differences study point out that although Louisiana (Teddlie et al., 1989) and California (Hallinger & Murphy, 1986) school studies were conducted with different populations and different methodologies, results were congruent.

In looking at the equality of opportunities within schools and its impact on school effectiveness, Jong and Braster (1989) suggested that the idea of school effectiveness change from:

> School X is more effective than School Y, if it enhances more progress in the educational development of its pupils that School Y, to School X is more effective than School Y, with a similar group of students, if it enhances more progress in the educational development of its pupils than School Y. (p. 169)

Such a revised definition acknowledges that even though schools may be similar in terms of organization, they may differ in their balance of ethnic, SES, or ability characteristics. Jong and Braster supported the contention that children from lower-SES backgrounds and from various minority groups enter schools with lower levels of cognitive development than children with middle-SES backgrounds. These characteristics will be present, or in some cases increase, by the time students finish their educational careers. More children from disadvantaged backgrounds drop out of school or are assigned to special education. In examining the effects of inequality in their research, the findings indicate that the effects are moderate. They concluded that it is difficult to isolate the variables so as to examine the effects of inequality. It was also acknowledged that children vary in diligence, perseverance, achievement, motivation, and attitudes toward school learning and their teacher. Good teachers cannot motivate all students equally. So differences within classes will remain and not all students will develop according to their ability.

Tessmer and Van der Werf's (1989) research also confirmed the importance of accounting for SES. They found that schools with high proportions of working class students tend to be less effective than schools with lower proportions of these students.

Saka's (1989) study, using 165 public elementary schools in Hawaii, attempted to identify factors associated with pupil achievement in reading and math; the contextual variables that were

found to be significantly related to pupil success were greater teacher experience and lower percentages of special needs students. Saka defined special needs as those students receiving public assistance, special education, and specialized language instruction. While these factors explained the greatest amount of variation in achievement on reading and math scores, there is little a school could do easily to alter these pupil characteristics.

Harnisch (1985) used a sample of 18,000 public high school students to determine factors associated with effective high schools. The study found that schools with more high SES students tend to have greater achievement scores.

Good (1989) asserted that it is important not to look at the findings of school effects research as simplistic prescriptions to be applied literally. Just because techniques are found to be effective in one setting does not guarantee that they will be effective in other school settings. The social context of a school has important influences on what behaviors, organizational strategies and beliefs make up effectiveness. Efforts must be made to reflect upon the school's social context when planning school reform.

Concern for At-Risk Students

If all students are expected to achieve, than one-to-one tutoring at the first grade level can save at-risk students from academic failure. Wasik and Slavin (1990) conducted a study at John's Hopkins University which revealed that early intervention in the form of one-to-one tutoring, 15-20 minutes a day, can bring at-risk students up to the appropriate level of reading skills. The teacher can focus the sessions on the specific needs of the students. And the tutoring can have lasting benefits; first grade participants still tested at appropriate skill levels in the third grade. Cost was acknowledged as a factor, but it was suggested that early intervention can reduce costs later on for grade retentions and referrals to special education.

The impact of school effectiveness on student retention and attitudes was examined by Leithwood, Lawton, and Cousins (1989). Their study developed a causal model of school-related

factors influencing the high school drop-out rate. They synthesized results from 20 original studies of effective secondary schools to provide the primary data for model development. Seven categories of characteristics associated with exemplary secondary schools that have either direct and/or indirect influences on students' school experiences, academic-achievement, and attitudes and behaviors were identified from the study. The categories identified were: (1) the goals valued by the school, (2) the attributes and practices of teachers, (3) the attributes and practices of administration, (4) the nature of school programs and classroom instruction, (5) school policies and organization features, (6) school culture, and (7) the nature of school community relations. Analyzing the content of the 20 studies led to identifying 34 specific attributes of effective secondary schools. Teachers and administrators in 58 schools completed a questionnaire about the status of the effective school factors in their schools. While several problems limit the confidence to be placed in the results, the data of the study suggest that the model explains about 60% of the variation in drop-out rates for the 58 schools.

The specific attributes within each category of the model found to contribute most to students staying in school are listed in Table 2-2.

Table 2-2

Attributes Contributing to Continuation of Student School Attendance

Categories	Attributes
1. Goals	--the importance attributed to intellectual goals for students
2. Teachers	--the amount of time teachers spend with students outside regular classes --high expectations for all students by staff --high levels of collaboration among teachers in making curriculum and instructional decisions
3. Administrators	--(no items significantly related to reduced dropout rates)
4. School Policies and Organization	--a high proportion of the school day devoted to instruction (vs. procedural) matters --an orientation in the school not preoccupied with simply 'running a smooth ship' and 'keeping the lid on'
5. Programs and Instruction	--a strong academic curriculum --a relatively large proportion of class time spent on instruction vs. procedural matters
6. School Culture and Ethos	--a low incidence of physical accidents and injuries and verbal disputes --a high level of respect for the personal possessions of others --a shared sense of ownership in the school building --a priority for the development of academic as opposed to athletic, social or work skills
7. School-Community Relations	--a positive image of the school in the community

(Leithwood, Lawton, & Cousins, 1989, p. 109)

English proficiency of students is a factor associated with student achievement. A study was conducted with 2000 Spanish-speaking elementary students enrolled in three types of model bilingual programs: (1) children immersed in English, (2) children shifted mostly to English over four years, and (3) students eased to English over six years (Bilingual Education, 1991). The study found that the students in all three programs kept pace academically with the general student population and outpaced other at-risk students. Children who received instruction in Spanish had no problem learning English. Children who participated in structured immersion programs with little Spanish instruction learned math and reading as well as many students who received significant amounts of Spanish instruction in the short-term programs. The findings from the study support the U.S. Department of Education stance that a variety of programs can be effective and that the methodology should be chosen at the local level. The study concluded that bilingual education benefits students and that school administrators can choose the method best suited to their students.

Concern for Non-Cognitive Outcomes is Evidenced

Most of the research on school effectiveness looks at cognitive outcomes of student academic achievement. Too much focus on standardized achievement test results can lead to a rigid curriculum and a reduction of teacher creativity and initiative (Stedman, 1987, 1988). Levine and Levine (1986) cautioned that such a focus can lead to the adoption of boring curriculum and practices that reduce students' enthusiasm for learning, resulting in less learning and lower achievement. In addition to standardized achievement test scores, school effectiveness must consider non-cognitive factors such as affective student functioning and behavior.

Knuver and Brandsma (1989) conducted a study in the Netherlands which examined the relationships between students' sense of well-being at school, student achievement scores and background characteristics and classroom organizational factors and teacher characteristics. Sense of well-being was defined as "the presence of absence or specific positive and/or negative attitudes

and experiences vis a vis school and education" (p. 133). The Knuver and Brandsma definition included self-concept, attitude toward school and learning, motivation, social interactions with other students and teacher, and student contentment with their position at school. Study subjects were students ages 10/11, from 250 Dutch schools in 1987 and again the following year when they were 11/12. Results indicated that the majority of girls had a greater sense of well-being toward education and their school than did boys. Pupils who did better in arithmetic and language had a more positive sense of well-being. Well-being was also influenced by SES; the higher the SES the more positive the well-being. The study noted that different teachers and/or classroom practices had different effects on the well-being of girls and boys; the same treatment or classroom practices may not be preferred by both genders. Having the same teacher for more than one year appeared to have a positive influence on pupil well-being. Girls tended to appreciate more teacher feedback about their tasks than did boys. The teacher's age, the amount of refresher courses s/he has taken and the rule-setting when students are performing their tasks all had a negative influence on pupil well-being. However the amount of refresher courses had a more positive effect on well-being for girls than it did for boys. The grouping of students within the classroom appeared to have no influence on well-being.

One way to increase expectations for student achievement is to encourage student-teacher relationships. Blase (1986) suggested that teachers learn to appreciate their students more through the experiences of relating with students. Teachers' awareness of students' needs increase and teachers are better able to meet student needs and are more satisfied with their work.

The district's role in strengthening student-teacher relations in secondary schools was examined by Corcoran and Wilson (1986). The district can provide formal support in the form of extra-curricular programs, as that is where teachers and students have the most opportunity to work cooperatively to apply knowledge and achieve common goals. The practitioners they interviewed advocated that districts provide financial support for clubs in every discipline area. Other examples of formal approaches include providing reasonable workloads for teachers,

establishing facilities where teachers can meet with individuals or small groups of students to give more individualized attention, and sponsoring leader-advisor programs. The district's informal role is mainly to provide support and encouragement and to facilitate the building of strong student-teacher relationships in secondary schools. Grady et al. (1989) found that improving the quality of personal relationships in the schools also improves achievement.

Summary

A common sense of purpose and clearly defined goals and expectations are important to school effectiveness. The literature suggests, however, that organizational purpose, goals, and expectations must be tempered by appropriate consideration of the internal and external environment of the organization. Therefore, a revised working characteristic of organizational effectiveness for MEEP schools might read: *Common sense of purpose and clearly defined goals and expectations related to student achievement with respect for school context.*

SCHOOL CLIMATE

Cruickshank (1990) summarized the results from 22 effective schools studies. With regard to school or classroom climate, several sources were cited which provided evidence of the importance of school effectiveness. Included in the Cruickshank citations were evidence supporting a climate orderly and conducive to learning (Harnisch, 1985; U.S. Department of Education, 1987; Yelton, Miller & Ruscoe, 1989), a climate which promotes students' feelings of efficacy (Harnisch, 1985; Stedman, 1987), an emphasis on cognitive goals (Harnisch, 1985), opportunities provided for student responsibility in school affairs (Stedman, 1987), an accepting and supportive climate (Stedman, 1987), the promotion of diversity (Stedman, 1987), and a common sense of purpose promoted among faculty and staff (California Assembly Office of Research, 1984).

A study conducted in the Netherlands (Creemers & Knuver, 1989) found that secondary schools which were effective in terms of efficiency and achievement were cohesive and had a positive school climate. The U.S. Department of Education (1987) found that schools which encourage academic achievement focus on the importance of scholastic success and on maintaining order and discipline. Good character education also takes place by surrounding students with positive adult role models and by building upon natural opportunities for learning and practicing good character.

Positive Attitude Toward Problem Solving

Corcoran and Wilson (1986) found that successful schools confront problems such as inadequate facilities and funding, declining enrollments, low attendance, poor discipline, lack of school spirit or clear academic standards, drugs and alcohol, or complacency with past accomplishments, in a different manner than other schools with similar problems. The leaders in successful schools choose to see problems as opportunities and challenges and they seek alternative solutions. Corcoran and Wilson referred to these as 'can do' schools (p. 89).

Research for Better Schools Project (Miller et al., 1987) has shared some of its observations on how other schools can develop the 'can' do attitude. In secondary school improvement training, school-based improvement teams are to focus on problems within their domain, in order to develop a 'can do' outlook. The principal also serves the improvement team and his/her role influences the success of their efforts. If the principal encourages staff members to participate and be creative and recognizes their attempts, the improvement team advances much further than when the principal does not demonstrate the 'can do' outlook.

Schlechty (1985) observed that the problem solving and improvement situation in a school is related to the management of the school as well as the district. If districts want schools to be more involved with problem solving, they need to develop norms and values which prioritize disciplined problem solving and continuous improvement.

Corcoran and Wilson (1986) predicted that school-based management, with an emphasis on the school as a change unit and with all staff responsible for the teaching and learning that takes place, may promote a 'can-do' problem solving attitude.

The U.S. Department of Education's Secondary School Recognition Program (Miller et al., 1987) recognize secondary schools for outstanding achievement in implementing and maintaining exemplary policies, practices, and programs. The program has found successful secondary schools to be characterized by staff with pride and confidence in their work, an attitude that ineffective teaching is unacceptable, principals and faculty share governance of the school, and staff and students feel good about themselves.

Summary

The literature of school effectiveness provides evidence of the importance of school climate in school improvement programming. Therefore, the working characteristic of organizational effectiveness for MEEP schools might read: *School climate which supports those goals and expectations*.

Recent literature on site leadership suggested much overlap among MEEP organizational characteristics 3 through 5. As a result, the literature reviewed in the following section treats those three characteristics simultaneously.

SHARED LEADERSHIP IS ENCOURAGED

Although leadership is recognized as key in school improvement, there is no consensus regarding the styles, behavior, or skills required of the educational reform leaders (Corcoran & Wilson, 1986; Purkey & Smith, 1985). Grady et al. (1989) advocated more shared leadership. As the staff shows more skill and commitment, the administrator/leader becomes more participative. High and Achilles (1986) concluded from their studies that as achievement increased over time, principals turned more control over to teachers. The U.S. Department of Education's

Secondary School Recognition Program noted that in successful secondary schools principals and faculty share governance of the school (Miller et al. 1987).

Schlechty (1985) asserted that the principal is not the only source of strong leadership. Effective principals provide, or help others to provide, strong leadership. Corcoran and Wilson (1986) also argued that school leaders need to recognize the skills and strengths of a variety of staff members and allow them to make maximum use of their skills.

Grady, Wayson, and Zirkel (1989) cautioned against too much reliance on the strong principal leadership theory as it ignores too many of the limitations found in early research and ignores more recent recent findings (Clark & Astuto, 1985; Stedman, 1987). The theory may reflect more of a top-down approach to organization which inhibits change and improvement (Wayson et al., 1988).

In more recent research the correlation between student achievement and principal effectiveness is not as significant as that found in earlier research (Grady et al., 1989). There seems to be some contradiction in the research evidence that strong principals make strong schools. Creemers and Reynolds (1989) found evidence to support the strong instructional leadership role of the principal in North America; however, this factor is not so important in the Netherlands schools. In the Hallinger and Murphy (1985) study of factors associated with successful reading programs in two overachieving California elementary schools, it was found that the principal or 'faculty leaders' provided leadership to the reading program. Successful secondary school principals were found by Corcoran and Wilson (1986) to take control in three general areas: articulation, monitoring and supervision.

The effects of administrative leadership on reading and math achievement was explored by Yelton, Miller, and Ruscoe (1989). Using K-12 teachers in 88 predominantly white, rural Kentucky schools they found that when the principal fostered clear academic goals and communicated high expectations, pupils would achieve them. Further, student achievement was found to be associated with the principal who was deeply involved in the school's instructional

program, demonstrated strong leadership and management skills, and regularly monitored what teachers and pupils were doing.

Other findings suggest that the school principal as the instructional leader needs to be one who accumulates common wisdom and hope from shared experiences with teachers and colleagues throughout the district (Rosenholtz, 1989). The principal's ability to empower teachers with a "network of technical knowledge" (p. 219) that connects them to one to another in pursuit of a common ideal, enriches and sustains schools.

In light of the research on effective schools, Grady et al., (1989) recommended that preparation programs in educational administration focus on providing administrators the skills with which to provide vision and to formulate goals for their schools and to measure the effectiveness of their schools.

Educational researchers are concluding that successful schools balance control and discretion. That is, successful schools have flexible organizational structures, but firmly shared values concerning motivation, quality, service, and experimentation (Corcoran & Wilson, 1986; Firestone, Rosenblum, & Webb, 1987; Rosenholtz, 1985). A principal in such a school, would lead in three ways: (1) aggressively monitor the school's operation; (2) maintain control of the curriculum across grades and subjects through careful management and articulation; and (3) supervision of the staff (Corcoran & Wilson, 1986). Even while principals have controls in place, teachers have flexibility in interpretation and implementation. Teachers in these schools have decision-making ability and a sense of control over how they do their jobs (Miller et al., 1987).

Miller et al. (1987) explained that balance between control and discretion is found in successful schools, believing that teacher initiative is reduced with too much control and program fragmentation can result with too much discretion. The superintendent and school board set the direction, general content, and process for school improvement; the specific content and process for implementation is to be determined by the individual school.

Not everyone agrees with the control and discretion concept. Some evidence suggests that tighter controls from central offices are more effective for some purposes. For example, 75% of the superintendents surveyed by Peterson, Murphy, and Hallinger (1987) supported specific methods of teaching, which they felt increased outcomes. The superintendents also worked to ensure their teaching staffs were using these strategies. Miller et al. (1987) concluded that there is a lack of consensus over the concept of control/discretion, suggesting that district and school-level practitioners do not yet value the concept as much as researchers do.

School Site Management is Supported by the District

With school-site management, the individual school is the main decision making unit and the principal is the top executive decision maker. The principal and staff members plan improvement activities for the school, are provided with a budget, and are held responsible for the actions taken (Guthrie, 1986; Miller et al., 1987). Raywid (1990 argued that this management style is based on a traditional bureaucratic model of control, with slight variations in the assumptions about where decision making should occur.

Raywid (1990) listed the advantages of site management as decentralization, debureaucratization, and teacher empowerment, all of which have been called for in the excellence reports by the Carnegie Task Force on Teaching as a Profession (1986) and the National Governors' Association (1986). In settings where site management has been implemented, teacher morale has increased because they feel they are being consulted and appreciate having input into decisions (Clune & White, 1987).

Kirst (1988) identified three characteristics of traditional administrative structures which are mitigated by school site management:

1. District policies do not account for the range of student needs and characteristics at all the individual schools.

2. Teachers and staff may not be supportive of educational outcomes that they did not formulate.
3. At the school district level, the teaching talent is not utilized as much as it could be because centralized control does not permit teachers many decisions.

Corcoran and Wilson (1986) predicted that school-based management, with an emphasis on the school as a change unit and with all staff responsible for the teaching and learning that takes place, may promote a 'can-do' problem solving attitude.

David (1990) cautioned that site-based management is only one component for achieving the goal of developing productive learning environments. Districts must also involve teachers in school decision making, relax the rules which restrict schools, and provide teachers and administrators with access to new knowledge and skills, along with the time and resources needed tor application and implementation. Districts involved with restructuring must recognize that structural change within schools requires leadership, nurturing, and resources from district leaders. Change mandated from the top will not effectively restructure schools unless schools are full partners in creating new teaching and learning environments (David, 1990).

District Support of Shared Leadership

According to Schlechty (1985), superintendents and school board members should establish policies which encourage the development of clear goals in each school building. Schlechty recommended that top-level administration should reflect on their image of schools and education, asking themselves:

1. What are the goals and commitments of our school system?
2. What will our school system be like in five to ten years if we continue our current system of operating?
3. What should the goals and commitments of our school system be?

Schlechty also suggested that the district leadership set policies which encourage building administration to translate school goals into results that can be measured.

In order to facilitate school improvement, Purkey and Smith (1985) argued that districts should establish guidelines that facilitate the school improvement process and support responsibility at the school level. After receiving input from stakeholders, districts should specify goals at the district level and then hold school staff responsible for the design and implementation of improvement plans. The district should then set up specific time lines for school improvement projects.

Rosenholtz (1989) made the following recommendations for delegating school improvement: (1) specify broad boundaries for developing programmatic goals and allow variation for local adaptation; (2) monitor local implementation and provide helpful feedback; and (3) allocate sufficient fiscal and technical resources organized around programmatic goals. Resources can include teaching materials, information on model programs, release time for school staff to observe exemplary practices, personnel who direct school staff toward useful resources, and specialists who provide useful information and long-term, on-site assistance.

The district's role is summarized by saying that school board members and administration should have a clear idea of expectations for students, teachers, principals, and others. These expectations must be communicated clearly, monitored, and corrected and/or supported where not met, and then evaluated to determine whether the end results are the same as what was intended (Peterson, Murphy, & Hallinger, 1987; Schlechty, 1985).

David (1990) stated that the district can help to restructure school systems through a combination of actions: directing authority to schools, relaxing regulations, reinforcing experimentation, and providing school staff with resources and assistance. In return, districts expect schools to become more professional systems where school staff are responsible for developing the environment for more effective teaching and learning. Districts must understand that restructuring takes many complementary efforts over many years, requiring strong leadership,

the creation of new structures, and the provision of support to teachers and administrators who seek change.

Monitoring and evaluation are important parts of the district's role in the school improvement process (Corcoran & Wilson, 1986; Miller et al., 1987; Peterson, Murphy, & Hallinger, 1987; Purkey & Smith, 1985; Schlechty, 1985). Corcoran and Wilson found in their study of successful secondary schools that administration and policy makers actively strive to realize goals by informing everyone about the goals, monitoring progress toward the goals, and using data and input from many sources to continuously refine and redefine the goals.

Purkey and Smith (1985) asserted that superintendents and school boards should get input from school staff, parents, and community groups before specifying goals. The district leadership should also establish committees which facilitate the process of school improvement. Staff collaboration and self-evaluation leading to 'staff-owned' innovations should be encouraged. Monitoring progress on districts goals is important. Staff accountability is important to effective schools because it convinces school staff that the top-level district leadership is serious and committed to school improvement.

Miller et al. (1987) listed four areas where districts can support the development of leadership in secondary schools: (1) developing school-site management, (2) principal involvement in hiring and placement, (3) monitoring and evaluating, and (4) training and development. As the central office staff considers their role in developing leadership for secondary school improvement, they should think about applying school-site management by giving principals more control over budgeting, selecting and assigning teachers, jointly developing standards of effectiveness, monitoring for accomplishment, and providing training and support for continuous professional development. Miller et al. (1987) also found practitioners to say the central office should help secondary schools communicate their goals by targeting staff development.

Summary

Although the literature of school site leadership and administration reflects the emergence of conflicting evidence and opinion, a preponderance of the literature supports shared leadership. As a result, a revised MEEP characteristic of organizational effectiveness related to leadership might read: *Overall shared leadership which encourages and monitors progress toward high goals and expectations*.

COLLABORATION

In examining effective schools, Rosenholtz (1985) found that principals provide teachers with clear and common objectives, the opportunities to collaborate with other teachers to develop detailed teaching strategies, and with technical resources and time needed for planning improvement efforts. Rosenholtz distinguished between schools that are changing and improving and those that are not; in the former she found teachers and principals agree on the definition of teaching and give high priority to instructional goals. Teachers worked toward the shared school goals because the goals are indicative of their own goals as well as those of their colleagues. Teachers collaborate with each other in teaching by requesting and offering advice. Changing and improving schools offer teachers opportunities to learn and interact with one another. Principals facilitate opportunities for teachers to collaborate with one another and also provide frequent and useful evaluation of teaching.

Good (1989) recommended that in-service time be scheduled for study groups in which teachers share information and resources and analyze teaching in collegial settings. Study group members might also study, discuss, and consider application of research results.

Rosenholtz (1989) also argued for the need to alter teacher's perceptions of their work. Classroom isolation needs to be exchanged for collaborative relations. Collaboration must be facilitated by districts, principals, and teacher leaders. Collaboration can increase teachers' psychic rewards and student learning. Teachers, principals, and superintendents must collaborate to make

self-regulation a shared responsibility. Principals and superintendents need to learn how to give general directions, and how to set up environments that facilitate teachers working together to uncover and receive reinforcement for their own skills.

In describing the change process, Harvey (1990) asserted that every change effort should be made by a collaborative team of five to ten members. One or two people who represent each of the following key decision-making categories should be chosen for the team: decision maker--someone who has the authority to make a decision related to the proposed change; stakeholder--someone who has a vested interest in how the change occurs; expert--someone who has much knowledge about the issue, and/or the change process; resister--someone who is doubtful about the proposed changes; facilitator--someone with no vested interest in the change but who is enthusiastic to see the process work. Once the change is implemented and institutionalized, Harvey recommended disbanding the team.

Harvey (1990) advocated directive collaboration for long-term, effective change. This style focuses issues and keeps the change manager in control while at the same time promoting participation and involvement. The steps of directive collaboration are to include all sides, establish collaborative norms and processes, define the problem, define the time frame, define the givens (e.g., political, budgetary, define unacceptable outcomes, reinvent part of what already exists to increase participation and investment, reach for consensus, call for systematic decision-making process, draw on expertise at appropriate points, monitor and debrief the process, share drafts of the proposed changes at several points, and emphasize group credit and accountability.

Creemers and Knuver (1989) also reported on the use of classroom consultation which has been found to be an effective technique to influence curriculum implementation and student achievement in the Netherlands. Although it was not specified who provides the classroom consultation, teachers receiving classroom consultation had the highest implementation of a new math curriculum in the primary schools and their students showed the highest achievement. A classroom consultant observes the lessons and provides teachers with feedback on their behavior.

Curriculum

Cruickshank's (1990) comparative review of recent school effectiveness research, referred to several studies which examined curriculum. Among the key findings identified by Cruickshank are the following: staff frequently interact and review the curriculum and try to expand it to include vocational training, the arts, and second languages (California, 1984); the curriculum is coherent and coordinated (Hallinger & Murphy, 1985); reading is emphasized (Hallinger & Murphy, 1985); student development is emphasized and the programs are academically rich, varied, and demanding (Stedman, 1987); there is integration among subjects (Hallinger & Murphy, 1985); teacher-developed remedial programs are used (Hallinger & Murphy, 1985); and students visit the library weekly (Hallinger & Murphy, 1985).

The U.S. Department of Education (1987) asserted that students learn more with a stronger emphasis on academic courses, more advanced the subject matter, and more challenging text books.

District's Role in Curriculum Development

Research for Better Schools (Miller et al., 1987) found that in some districts seen as improving, there is clear direction from the central office as to what will be taught and what instructional technologies will be used.

Because of concern about academic standards, Kirst (1988) expressed support for more curricular centralization. He questioned the feasibility of each local school site developing and revising coherent curriculum. Kirst believed many of these tasks are best done by a committee of teachers and staff from many schools coordinated by the central office.

Summary

Literature reviewed suggests that effective schools are characterized by high levels of collaborative planning and collegial relationships among faculty and administration; especially on curricular and instructional issues. A revised MEEP characteristic of organizational effectiveness

curricular and instructional issues. A revised MEEP characteristic of organizational effectiveness might read: *High levels of collaborative planning and collegial relationships among staff and administration in making curricular and instructional decisions.*

STAFF DEVELOPMENT AND EFFECTIVE SCHOOLS

In Stedman's (1987) study of effective public schools in impoverished communities, it was found that in-service training and faculty meetings were frequent and productive. The best teachers were assigned to lower grades or involved in remedial work and on-the-job in-service training was used extensively.

Rosenholtz (1989) advocated that all educators, from superintendents to teachers, be provided with appropriate and meaningful learning opportunities. Without professional growth, educators are not prepared to deal with a continuously changing environment and they become accepting of sameness and routine. Teachers and principals need to reflect upon their work and to have their learning needs met. A lack of such opportunities can lead to a decrease in psychological rewards and commitment to the work place.

Successful schools depend on quality workers who need challenging opportunities and working environments (Miller et al., 1987). Issues related to people, relationships, philosophy, goals, motivation, and organizations must be addressed (Association for Supervision and Curriculum Development, 1987). In a study of successful secondary schools (Corcoran & Wilson, 1986) several factors were found to enable schools to attract and keep talented, conscientious staff. These factors included:

--a sense of belonging to the school whose goals and values they shared

--respect from colleagues, students, and community members

--a sense of autonomy over one's own work

--the opportunity for personal progress and growth on the job

--a safe, secure, and comfortable working environment

--the ability to provide input to influence others

--recognition and rewards for contributions to the school

If a school does not have positive working conditions, Schlechty (1985) cautioned that the school may lose excellent teachers or those who have the potential to be excellent teachers. Many teachers may get discouraged and leave the school; or teachers may compromise their behavior to adjust to the negative environment around them, which can result in a less effective school.

School Effects Training

Miller (1989) described School Effects Training (SET), an effort designed to combine research on effective schools with staff development in the school. The objective of the SET program is to develop a more effective school by creating commitment to a building-level implementation plan that meets the needs of students, staff, and parents. SET assumes that the greatest resource for improving a school is the staff. SET introduces staff to research on effective schools and presents an implementation process for creating desired changes. The research base for SET includes effective schools research, school change research, and research on productive organizations. The SET program consists of three components: (1) preinstitute, an introduction to SET, and time to gain commitment; (2) the institute, a two-day retreat for staffs to lay the program foundation; and (3) the post institute, where implementation plans are further developed.

The success of research-driven programs rests with carefully planned implementation and follow-up strategies. Programs flourish when schools and districts consider time, availability of resources, and incentives for participation (Corbett & D'Amico, 1987). Without such considerations, the programs tend to flounder.

Staff Development Options

Sklarz (1991) recommended that teachers be allowed to select from a variety of staff development options such as:

1. Individualized education plans--a teacher develops his or her own training program (e.g., a teacher might visit a model school or attend a conference devoted to a relevant issue);
2. Short-term sabbaticals--teachers work outside the classroom for a week to a semester to study new techniques of teaching or to develop a new program in the district;
3. Substitute-teacher teams--a team of full-time substitutes coordinate closely with classroom teachers and provide assurance that the appropriate lessons are taught in the regular teacher's absence. Such a trained team can free several teachers at a time to work together on curriculum development or other special projects.
4. Teachers as instructors--teachers who have learned new skills or research are invited to lead in-house staff development sessions.
5. Peer coaching--teachers who have learned new teaching strategies are observed by their colleagues and/or they can observe and assist others who wish to experiment with the new strategies.
6. Teacher exchanges--teachers can visit other schools in the district to learn how similar changes are conducted or teachers can exchange teaching positions with teachers at different grade levels to find what younger or older students are learning;
7. Release time--students are dismissed early or school is started later so that teachers are more alert and energetic for the staff development;
8. Summer workshops--offer a more relaxed environment for working on new projects;
9. Weekend retreats--a productive option as teachers are less distracted and can work harder than when retraining at the school;
10. Professional libraries--consists of professional resources which are available to inform and spark good ideas for staff development.

Sklarz (1991) concluded that allowing teachers to design their own staff development is based on the assumption that teachers are professionals who can decide what training they need to get the job done.

Several sources have recommended that teachers have more opportunities for research (Billups & Rauth, 1987; Good, 1989; Good & Brophy, 1987). More teachers should conduct classroom observational research. Good (1989) recommended that in-service training time be scheduled for study groups in which teachers share information and resources and analyze teaching in collegial settings. Study group members might also study, discuss, and consider application of research results.

David (1990) cautioned that access to professional development may be enough to enable some schools' restructuring efforts to (1) create effective planning groups, (2) self-evaluate weaknesses, (3) develop new approaches and (4) implement. Other schools will need more assistance with one or more of these restructuring steps. Some schools may need intensive on-site consulting assistance for the entire process.

Summary

Staff development is an important component of school effectiveness. The MEEP characteristic of organizational effectiveness related to staff development should be retained as currently stated: *A building level staff development program directed toward school goals and closely related to the instructional program of the school.*

OPEN COMMUNICATION

Hallinger and Murphy (1985) reported that maintenance of open communication with parents is a factor associated with successful reading in two overachieving elementary schools. Stedman's (1987) study of remarkable schools found that the schools communicated with and

involved parents and tried to head off academic problems by alerting parents early if learning problems arose. Parents were also involved with teachers in sharing school governance.

Proposals for Increasing Parent Involvement

Davies (1985) outlined four proposals for increasing parent involvement in the public schools: co-production, decision making, citizen advocacy, and parent choice.
Co-production is the concept that the education of children should be viewed as a partnership between home and the school; students and parents are co-producers of education, not just passive recipients. There are several individual and collective co-production activities that can lead to better instruction and pupil achievement. These include: home tutoring programs; homework helper and homework hot line programs; frequent and specific reporting of student achievement by the teacher to the parents with recommendations for how classroom efforts can be reinforced at home; education of parents to increase their understanding about what schools are doing; home visitor programs to provide special help and advice to low-income and immigrant families; and parent volunteers helping teachers in the classroom and in preparing instructional materials. Teachers and principals must initiate most of the activities and the school then coordinates them.

An example of a co-production program is the 'Teachers Involve Parents in Schoolwork Project' (TIPS) at John Hopkins University. The philosophy behind the project is that parent involvement activities should be coordinated with school curricula, student needs, and parent capacities. The teacher is to manage the classroom, the instructional process, and all instructional resources, including parent volunteers. The project is targeted for the elementary level but could be adapted to middle and secondary schools. Math and science materials designed for remediation, maintenance and review, completion, enrichment, and general home-school communication are available for use.

Of the four proposals described by Davies, co-production activities are the least threatening and the least controversial to teachers and administrators, but the school district must invest money

and time in the development and promotion of material, and in training teachers and parents. Such activities also require an attitude about education as one of 'partnership' rather than one of 'delivery of services.'

The decision making proposal (Davies, 1985) covers a wide spectrum of ideas, such as opportunities for parents to be involved in decisions about their own children,school planning, setting policies, assessing schools, or decisions about personnel, curriculum, finances, or other school matters. Degrees of parental power can range from an advisory role to full responsibility for decisions. Examples of parent participation in decision making proposals include parent advisory committees, involvement in district-wide planning and advisory task forces or study groups, participation in search committees for administrators, and involvement in school policy boards.

The citizen advocacy proposal (Davies, 1985) would include case advocacy by organizations, class advocacy where parents representing special interests organize to promote their cause by influencing public decision makers, parent groups that organize to rally political support or opposition on issues such as school prayer or sex education, and citizen organizations that build public support for the public schools and study and monitor school issues and effectiveness.

The parent choice or open-enrollment proposal addresses how much say parents should have in selecting their children's school and what government policies there should be to protect such choices. Examples of choice proposals include tuition tax credits to parents who send their children to private schools, voucher proposals to provide set sums of money to parents to pay a school of their choice for education, open enrollment plans where parents may choose to send their children to the school of their choice as long as there is space, alternative public schools for students who are having trouble in a standard setting, and magnet schools which have been part of desegregation plans in many urban districts.

A specific example of a parent choice program is the Magnet School Program (MSP) in Worcester, Massachusetts, developed in 1981 with the help of a parent advisory council. One of

the benefits of the ten magnet schools in the MSP is that teachers and administrators have an opportunity to choose a school that fits their working style and philosophy of education (Charpentier, 1985). Another example is the Acton, Massachusetts, open enrollment plan. Parents choose a school for their child based on meetings with school staff, observations, and written documents on each school's philosophy. Transfers are allowed within the district if parents are not satisfied. The district provides transportation to the chosen school at no cost. Evaluation and reporting to parents is emphasized. Standardized test results, attendance and enrollment figures, and teacher turnover are reported to parents and the general public (Davies, 1985).

According to Tevlin (1991), the premise behind open enrollment in Minnesota is that parents can choose to keep their children in their home district or transfer them to any other district for any reason. Parents are responsible for any transportation costs outside of their home district. Advocates of open enrollment hope it will help families get more involved in their child's education and increase the responsiveness of the school district to the needs of its students and parents.

Raywid (1990) reported on the advantages of the parent choice proposal which he asserted creates different avenues of access to and influence on school decisions, and is less bureaucratic than other options. Raywid reflected on the advantages of choice for the teachers and students. Because it combines curricular, instructional, organizational, and governance change in one proposal, introducing choice can be an effective catalyst for many changes. Choice that recognizes teachers' need to function as professionals and provides them opportunities to do so. Teachers are empowered and actively participate in changing education and become more involved in decisions and management. The choice proposal offers the opportunity to start afresh with a new school and a new group so change is more apt to occur. Because staff and students choose a school, consensus is more likely and can lead to a more solid sense of mission than in schools of assignment. Empowerment is offered to all staff and students because they choose to come and

are free to choose to leave the school. Finally, because of these advantages, choice will likely help to make schools more productive.

Issues Related to Parent Involvement

There are some issues to consider related to parent involvement proposals (Davies, 1985). First, will parent involvement increase the advantages of middle-class parents and children? Protections can be built into policies and programs to counterbalance middle-class advantages. Officials and policy makers at the local, state, and federal levels must be careful to construct policies and monitor them from an equity point of view. School administrators and teachers should take the initiative to reach out to all parents and to devise a wide variety of ways for parents to participate. Organizations of and for poor, minority, and immigrant neighborhoods must take the initiative to monitor school policies from the equity point of view and the interest of their own constituents.

A second issue is related to why schools are resistant to increased parent involvement and how such resistance can be overcome. The level of parent involvement in some public schools is quite low. The Appalachian Educational Laboratory found that the most frequently used methods for teachers to interact with parents include: phone calls, parent-teacher conferences, open houses, and having parents sign the several messages to be returned to school (Purnell & Gotts, 1985). Data from the Gallup Polls indicate a discrepancy between the reported willingness of parents to take part in school activities and the few opportunities for participation they report having. For example, only about 20% of the parents reported having any contact at all with their child's school (Davies, 1985).

Davies (1985) speculated that part of the lack of parent involvement may be due to the nature of schools as organizations and some special characteristics about schools that inhibit change. He suggested that directed change in organizations is possible if planning is done well, both technically and politically. Factors that are needed to support changes in routines and norms

should be targeted. Conflicting interests need to be recognized, and bargaining and negotiation should precede the implementation of any plan for change. Educators can also work to revise teacher and administrator preparation programs to help create new professional norms that value home-school partnerships and that increase equity sensitivity. Research-based guidelines and strategies for training teachers for parent involvement, developed by the Southwest Educational Development Laboratory, could be useful for in-service training and staff development programs, as well as for preservice training (Williams & Chatkin, 1985).

A third issue concerning parent involvement raised by Davies (1985) is whether parent choice can work against equity. He acknowledged that it can contribute to an equalization of both access and achievement. He raised questions that local and state policymakers and practitioners should examine:

--Who is likely to benefit from any parent choice program?;

--What policies will make choice programs less apt to lead to separation by socio-economic class?;

--How can schools compensate for the information and experience advantages that middle-class parents have in choice?;

--How can the risks for low-income parents be minimized?; and

--What are the most important goals of increasing parent choice?

Davies (1985) asserted that increasing parent involvement in local schools can make public schools more reflective of democratic values and more effective for all children.

A fourth issue related to parental involvement involves the question of mandates. Mandates are necessary if the natural organizational resistance to change is to be overcome. A mandate can provide the framework for change but it should not be seen as a sufficient condition to produce positive parental involvement. Davies (1985) recommended that if a local school board decides to increase parent involvement, it should establish clear written policies which can be put into place through legislative or collective bargaining channels.

Voice Mail

Recent technological innovations can facilitate parent involvement (Front Lines, 1991). For example, one school administrator reports use of a computer voice mail system which raises parents' accountability and sends the message that parents can have a positive impact on their child's performance. Parents call the 24-hour hot line using a touch-tone telephone and designated code numbers to get a recording of various messages such as: (a) their child's teacher giving a description of the day's homework, (b) a message from the principal, or (c) a description of upcoming school activities.

School-Community Relations are Nurtured

An important function of successful schools is school-community relations. In addition to dealing with parents who entrust their children to the schools, the school must also think of the business sector who employ many in the community, and the citizens who support the schools with their votes and taxes. The community at large deserves regular communication and continuous interaction with the school. One person at the school should coordinate these school-based activities (Corcoran & Wilson, 1986; Miller et al., 1987).

Corcoran and Wilson (1987) categorized at the range of activities that successful schools use to build relationships with their communities:

--human resources--recruiting volunteers for a range of activities;

--public relations--setting up open two-way communications with parents and community members;

--financial resources--obtaining community funds for athletics, awards and special projects;

--community service--involving school members in community organizations and activities and making school facilities available for community meetings and activities;

--building an identity--building a positive relationship with the community and maintaining local enthusiasm for the school.

Summary

The role of parent involvement in school effectiveness has received increasing attention in education literature. Although the empirically based literature related to parent involvement is emerging, adequate evidence exists with which to retain the MEEP characteristic of organizational effectiveness related to parent involvement. Parental involvement in their child's education and parental support of the goals of expectations of the school.

TEACHER PROFESSIONALISM

Teachers Feel Basic Conditions are Lacking

A study conducted by the National Education Association (1988) found that teachers feel the basic conditions necessary to do their jobs are lacking. Sixty percent of the 2,000 surveyed teachers reported they have no say over staff development opportunities. Half indicated that the quality of administrative supervision creates problems for them in doing their jobs, and 40% reported equipment, supplies, and materials were inadequate. Many teachers reported dissatisfaction with the lack of decision making power given them. Good (1989) argued that teachers need more opportunities to define and to improve their working conditions.

The Social Organization of Schools

Rosenholtz (1989) argued that teachers are to be trusted and free from such hierarchical control as management-by-objectives, standardized curriculum packages, and minimum competency testing. Such accountability-motivated reforms result in wasted human potential, school mediocrity, and lost teacher commitment. Rosenholtz asserted that the successful school is not a routine, production-oriented culture where teachers are thought to be semi-skilled workers in an assembly line. Rather, teachers are asked to be reflective in their actions and can claim

extensive technical knowledge and task autonomy. Teachers need not take orders from bureaucratic superiors and can continue to make their daily professional decisions. Teachers can also detect the technicalities and loopholes in the reforms that do not advance their intentions for education.

There are no easy formulas to follow for successful schools and no guarantees. Rosenholtz (1989) believed that the first problem for policy makers is to deregulate schools so they are still responsive to community needs. Policy makers need to learn to trust teachers. Prescriptive reforms cannot be mandated without major cost. Rosenholtz stated the choice as between a professional, equality-oriented culture which encourages highly qualified teachers with technical growth, optimism toward change, spirited inventiveness, and with freedom from failure in the classroom, versus a stubborn bureaucracy threatened by teacher empowerment, participatory decision-making, and increased professionalization. Rosenholtz argued for the need to develop the outlook that professionalism is not the enemy, but rather the product, of successful schools. The roles of teachers, principals, and superintendents as professional educators need to be broadened.

Steps Toward Teacher Professionalism

If schools are to improve both conditions and outcomes, increasing teachers' professionalization is a necessary step. The need to develop a philosophy of teachers as scholars and professionals, and to provide teachers with more opportunities for research is recommended (Billups & Rauth, 1987; Good, 1989; Good & Brophy, 1987). More teachers should conduct classroom observational research. Good (1989) recommended that in-service training time be scheduled for study groups in which teachers share information and resources and analyze teaching in collegial settings. Study group members might also study, discuss, and consider application of research results. Research groups are another example of how the philosophy of teachers as scholars and professionals might be implemented. Good (1989) cautioned that not all teachers will

want to participate in research groups, but every school should have a few core members who are committed to classroom research and scholarship that is relevant to their school's context.

The message in some school districts is that teachers must be learners, and that principals must actively support and work to improve the teaching capacity of their schools. Good (1989) argued that if schools are to become more productive, technical knowledge must become more advanced and norms for professional behavior must be enhanced so that teachers have more input in the development and use of technical knowledge. Rosenholtz, 1989) found in her study of effective schools that some schools become communities of scholars where knowledge of teaching, students, and subject matter is respected and learning thrives because of certain collegial norms and practices.

Sykes (1990) suggested that teacher professionalism may serve as a basis for restructuring schools, provided that there is an increase in teacher's collegial accountability, cooperation in curriculum development, access to information, freedom in defining work boundaries, and a simultaneous decrease in external pressures and mandates. He listed several of the initiatives designed to stimulate teacher professionalism including introducing new roles and responsibilities for teachers, shifting educational authority and labor-management relationships, changing the incentive structure for teaching (i.e., merit pay, career ladders), and promoting more complex models of teaching. Sykes noted that among the reasons for promoting teacher professionalism are the desire to attract and retain teaching candidates of intellectual quality, to promote teacher excellence, and to recognize the daily decisions and judgements teachers make based on their professional knowledge, skill, and commitment.

A Model for Professionalism

Sykes (1990) asserted that a need to construct a new professional model that accommodates the distinctive features of teaching. Such a model can be developed in the school, where the proper

authority and expertise of teachers can be supported by the school community. Sykes (1990) proposed seven principles to guide the formation of professional communities within the school:

1. Complement bureaucratic accountability with professional responsibility.
2. Promote professional socialization processes within schools.
3. Strengthen lateral connections between teachers concerning the construction and coordination of the curriculum.
4. Create status-equalizing access to external sources of knowledge.
5. Create informal leadership opportunities for teachers in connection with the corporate improvement of teaching.
6. Legitimate and provide time for engagement of teachers in a range of responsibilities aside from direct instruction.
7. Increase sensitivity within the policy system to the impact of external mandates on teachers and teaching. (pp. 85-92)

Guidelines for Staffing Reform

Johnson (1990) believed that most reforms do not acknowledge teachers' ideas of effective practice or the practical conditions needed to make schools function effectively. She cautioned that reforms can not be imposed on teachers by policy makers or they will fail. The programs require teachers' endorsement and accommodation. Teachers need to take on new roles, to accept peer evaluation, and to take new governance responsibilities. Reforms must be introduced in ways that: promote egalitarian norms, validate the role of the principal, keep teachers instructing, offer empowered participation, and promote cooperation of school staff members. School officials must provide the time and money necessary to support the reforms. Change should respect schools as human service organizations that rely on staff cooperation and interdependence. Differentiated staffing can open new doors for teachers and increase their expertise and values into the larger organization. Peer evaluation can strengthen the teaching staff and offer better supervision. Involving teachers in school governance can yield schools that prioritize teaching over managerial values. Johnson cautioned against a local district stressing the hierarchical aspects of its career ladder by appointing consulting teachers who are capable of decision making but lacking in giving quality assistance, or expecting teachers to govern without authority. Such practices are likely to be unsuccessful.

Other conditions Johnson (1990) recommended as necessary for successful staffing reforms are leadership among teachers and administrators to begin change, endorsement of labor-management cooperation from the teachers' unions, an acceptance from administrators to abridge their authority, school staffs ready and willing to change, trust between teachers and principals, financial and moral support from the school board, and patience from everyone to deal with the problems as they arise.

Johnson (1990) concluded that changing teacher's roles and working conditions should take place at the school level, and just how this is done will vary from one school to another. The reforms will take time and will need to adapt to local needs as teachers and school officials explore and experiment with new approaches and negotiate a reformed professionalism.

Summary

An emergent theme in the literature of school effectiveness relates to teacher professionalism. A possible addition to the MEEP list of characteristics of organizational effectiveness might read as follows: *Teacher professionalism is encouraged.*

CONCLUSIONS AND RECOMMENDATIONS

Based upon this review of the recent (1983-1991) literature on effective schools, some concluding statements and recommendations can be made. While several improvements have been made in research design since the 1983 MEEP review of the literature pertaining to the organizational characteristics, it should be noted that there are still some concerns about the nature of the research which was reviewed for this document. Oftentimes the researchers are working with available data, rather than identifying factors to examine during the research design stage, and then going into schools to gather the appropriate data. In much of the literature, the recommendations are speculative and based on the author's experiences and opinions. There appears to be a need for more empirically-based, long-term studies where recommendations are

made based on appropriate research designs and data. In light of these observations, the following recommendations are made.

1. Effective schools research should be assessed with caution for several reasons. The reader should attempt to distinguish between recommendations based on theory anecdotal evidence, and opinions versus those based upon factual data; both types have value and can be thought-provoking and helpful in planning for educational improvements, but the differences must be acknowledged.
2. When reading the effective schools literature, it is recommended that the reader take note of the study's contextual setting before thinking about applications to one's own school setting.
3. The reader of the effective schools and instruction literature should aim to keep a holistic perspective by thinking about effective school organization and instruction as a whole. Rather than looking to the literature as a simple prescription for improvement, research findings should be used as a starting point for educational improvement and planning (Creemers & Reynolds, 1989; Good, 1989; Grady et al., 1989; Rosenholtz, 1985).
4. Many educators report that the Minnesota Educational Effectiveness Program has made a significant contribution to the quality of education in Minnesota (Minnesota Department of Education, 1989). What is needed now are data to document what works best in the MEEP schools. A qualified and experienced research team should begin a series of long-term, multivariate, qualitative, and quantitative studies designed to identify factors which contribute to all levels of effective schooling in Minnesota. The outcomes should be based on cognitive and non-cognitive student outcomes, including graduation rate, pupil-teacher ratio, class size, teacher ability, pupil attendance, student conduct, student achievement (Cruickshank, 1990; Rutter, 1983). Data should be gathered in urban, suburban, and rural school settings. Data should be collected through observation, standardized testing, interviews, questionnaires, and

analysis of such student products as tests, writings, and open-ended projects. The research team should be composed of experts in measurement and evaluation, curriculum development, and K-12 instruction. Attention should be given to relating theory to practice; besides having teachers serve on the team, K-12 practitioners should be consulted as to the research questions they would find most useful in their teaching.

5. Effects of the recent educational changes made in Minnesota, such as open-enrollment or parent choice, increased inclusion efforts, and outcome based education, should be included in the research agenda.

To draw upon Cruickshank's (1990) remarks, the research on effective schools does confirm the professional knowledge base and does have value for educators. Educators will find it useful to reflect on research done in settings similar to their own. Being informed about effective schools research allows one to reflect on it, to analyze how it is conducted, determine whether it is valid, and to ask how it may serve one better.

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CHARACTERISTICS OF ORGANIZATIONAL EFFECTIVENESS OF BUSINESS AND NONPROFIT ORGANIZATIONS

A Review of Related Literature

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INTRODUCTION

The construct of organizational effectiveness resembles that of several other constructs in the behavioral science field such as leadership and motivation in that for each construct there are a multitude of definitions, models, and theories which are often conflicting and unclear.

Because of the confusion and ambiguity, some researchers (Hannan & Freeman, 1977a) have advocated a complete abandonment of the term organizational effectiveness from scientific research. Others (Cameron, 1986a, 1986b; Campbell, 1977; Goodman & Pennings, 1980) wrote about the critical importance of organizational effectiveness measures. Reasons to retain the construct include the following:

1. Organizational effectiveness is a critical concept in organizational theory. The ultimate utility of an independent variable often depends on the value of the resulting dependent variable of organizational effectiveness.
2. Consumers are often required to make judgements about the effectiveness of organizations when deciding which product to buy, where to send their children for school, or where to have a car repaired.
3. Funding sources, such as government and foundations, may need to evaluate organizational effectiveness to determine which programs merit continued funding and which programs need funding changes to achieve desired levels of organizational effectiveness.
4. An organization may wish to assess its own organizational effectiveness to diagnose problems, plan organizational learning efforts, and monitor changes.

Effectiveness Versus Efficiency

Part of the confusion over the construct of organizational effectiveness comes from writers loosely interchanging and not making clear the distinctions among such terms as quality,

effectiveness, efficiency, and productivity. Smith (1988) and numerous other writers especially noted the importance of understanding the difference between effectiveness and efficiency. Drucker (1963) succinctly defined effectiveness as doing the right thing and efficiency as doing things right. Pennings and Goodman (1977) gave greater detail by defining efficiency as an input/output ratio that compares the units produced or obtained to the resources or costs required to produce or obtain the units. Implied in this input/output ratio is the understanding that an organization seeks to minimize the cost of transforming inputs into outputs. Effectiveness, in contrast, looks primarily at outputs in comparison to goals and is the focus of this paper.

Just as important as the distinction between effectiveness and efficiency, however, is an understanding that organizations can be effective without being efficient and can be efficient without being effective. Hodge (1991) depicted this relationship with the following diagram.

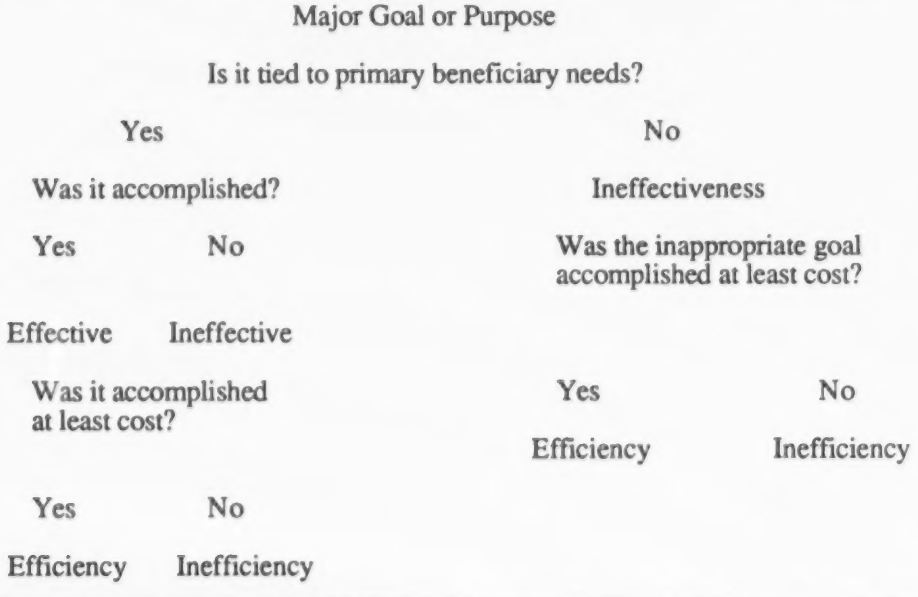

Figure 1. Organizational Effectiveness and Efficiency (p. 274).

There are several examples that can be used to illustrate the above diagram. A firm may be very efficient at producing buggy whips but ineffective as evaluated by profits because of a lack of market demand for the product. A small liberal arts college may be very effective at educating

students, but inefficient financially because classes are too small and economies of scale for purchasing are unavailable.

Models of Effectiveness

In the organizational behavior literature, three general approaches have dominated the literature: the goal model, the systems model, and the multiple constituencies model. An explanation of each model is given along with a critique of its features.

Goal Model

Initial efforts to study and measure organizational effectiveness generally followed the goal model. This approach is exemplified Barnard's (1938) observation "What we mean by effectiveness . . . is the accomplishment of recognized objectives of cooperative effort. The degree of accomplishment indicates the degree of effectiveness" (p. 55). This approach compares the output of the organization to its goals. The organization is judged to be more effective as it comes closer to reaching its goals. The goal model reflects purposefulness, rationality, and achievement--the fundamental tenets of Western society (Gibson, Ivancevich, & Donnelly, 1991). This model is especially useful for management utilization when organizational goals are clear, consensual, and measurable (Cameron, 1980). Many management practices are based on the model with examples including management by objectives (MBO), zero based budgeting, cost benefit analysis, linear programming, incentive pay systems, and various measures of profitability. Each of these practices has an underlying assumption that the individual, group or organization has an overriding goal that can be identified and measured (Gibson, et al., 1991).

While the goal model enjoys widespread use, it has also been subjected to the following criticisms:

First, achievement of organizational goals may not necessarily mean that an organization is effective. Goals that have been set too low, for example, can be achieved, but the organization may be judged as ineffective, especially as compared to similar organizations.

Second, there is considerable debate as to why the organization's goals should be trump. Is an organization effective if it achieves its goal of a certain profit level for the owners, but in the process subjects it employees to dangerous working conditions, produces defective products, and harms the environment? In a similar vein, Keeley (1984) questioned if an organization such as the Ku Klux Klan should be judged as effective for reaching its goal of racial discrimination.

Third, organizational goals are often political in nature. Weick (1979) noted that goals are frequently inventions to suit and justify activities that have already been performed. Goals may also be window dressing that are used to appease various constituencies, but are not actually pursued. Organizations may have conflicting goals or find difficulty in reaching consensus on a set of official goals (Connolly, Conlon, & Deutsch, 1980).

Fourth, goals may be difficult to measure because they are ill-defined, complex, or in a state of flux. For example, goal achievement is difficult to measure for organizations that produce intangible outputs. How does one measure the effectiveness of a liberal arts education?

Fifth, an organization may be effective in an area without having set goals for that area. Cameron (1980) cited the example of how NASA was very effective in the 1960s in developing consumer products, but this activity was not a goal of the organization.

Systems Model

During the late 1950s several systems approaches were developed as alternatives to the goal model of organizational effectiveness (Zammuto, 1984). A system is a set of interrelated elements that acquires inputs from the environment, processes the inputs, and then returns the transformed inputs as outputs to the environment (Daft, 1986). In addition to this sequence, there is feedback information that allows the organization to adjust to environmental conditions. The diagram below illustrates the basic elements of a system.

----------Inputs----------Process----------Outputs----------

----------Environment----------

(Feedback)

Figure 2. The Systems Model

Numerous examples of the above input-output cycle are available. A steel mill utilizes iron ore, human labor, and machinery as inputs in a process that produces steel as an output. A college attracts the resources of students, a faculty, funding, and physical assets as inputs into the education process to produce the end product of educated students.

Researchers have focused on different elements of the system. Yuchtman and Seashore (1967) developed a systems resource approach. They argued that the three basic elements of input acquisition, processing, and output disposal are tightly interconnected in an open systems model, and thus overall effectiveness can be assessed at any one point of the sequence. They selected the input acquisition point and defined effectiveness as "the ability of the organization . . . to exploit its environment in the acquisition of scarce and valued resources" (p. 898). The systems resource model is most appropriate when there is a clear connection between the inputs attracted by the organization and the outputs it produces. This approach is also considered useful when attempting to compare organizations with dissimilar outputs.

Examples of the input acquisition approach are readily available--colleges are judged by the quality of their incoming students, nonprofits are judged by their fund raising ability, faculty are ranked in part by the source of their Ph.D. degrees.

For the internal process approach, the focus moves from the input stage to the process stage. Effectiveness is defined as the absence of undue internal strain (Cameron, 1980). The best known proponents of this approach are from the human relations approach to organizations (Daft, 1986). Examples of this approach would be to measure variables such as supervisor interest and

concern for employees, organization trust levels, decision styles, and communication processes. The internal process model is most appropriate when the internal processes of the organization are closely linked to what an organization produces. As with the resource approach, the internal process approach can be used to compare organizations if the outputs are not comparable.

As with the goal model, there are criticisms of the various systems models.

First, an organization may be very effective in attracting resources, but poorly utilizes the resources that are attracted. Some nonprofit organizations, for example, are very successful at fund raising, but are not very successful in their efforts to achieve their stated mission. Television evangelists are a notable case in point.

Second, an organization may be very successful despite its inability to attract resources. Cameron (1980) noted that the Seattle Supersonics were not successful in attracting superstars to their basketball team in 1977 and 1978, and yet with a rookie coach and 'no-name' team they were able to win the NBA finals in 1979.

Third, an organization may be successful despite internal conflict. In fact, highly homogeneous, cohesive groups may actually be counterproductive and prone to such problems as groupthink.

Finally, Daft (1986) wrote that the internal process approach is valuable as an alternate perspective to organizational effectiveness, but that managers should be aware that this is a limited view of the construct.

Multiple Constituency Model

As noted previously, there have been criticisms of the goal and systems models of organizational effectiveness. Both models have been especially criticized for the assumption that it is possible and desirable to develop a single statement of effectiveness for an organization, and that this statement should represent the values of either the owners or top management.

As a result of this discontent, multiple constituency models began to appear in the literature in the 1970s (Zammuto, 1982). The theme behind the multiple constituency model is that in addition to owners, there are others called stakeholders or constituencies who have a stake and interest in the organization's performance. Rather than have a single measure of effectiveness, such as profit, each constituency is likely to have a different measure of effectiveness because it has different interests in the organization. As an example of constituencies relevant to a business, Daft (1986) listed seven constituencies along with their effectiveness criteria.

Table 1

Multiple Constituencies Model: Constituencies with Business Organization

Constituency	Effectiveness Criteria
1) Owners	Financial return
2) Employees	Work satisfaction, pay, supervision
3) Customers	Quality of goods and services
4) Creditors	Credit worthiness
5) Community	Contribution to community affairs
6) Suppliers	Satisfactory transactions
7) Government	Obedience to laws, regulations

(p. 110)

At a general level, the multiple constituency model introduces the idea that various constituencies of an organization may have different measures of organizational effectiveness. As can be expected, however, there are conflicting models of multiple constituency, with the heart of the conflict based on how each model recommends ranking and satisfying constituency preferences for outcomes. Zammuto (1982, 1984) organized the multiple constituency models into four

approaches based on how the meta criterion of outcome distribution is solved. The four approaches identified by Zammuto are relativism, power, social justice, and evolutionary.

Relativism

The relativism approach views the multiple constituency model as an empirical technique for the collection of data from organizational constituencies about their preferences. This approach has been most closely associated with Connolly et al. (1980). They wrote, "In general, then, we treat effectiveness not as a single statement, but as a set of several (or perhaps many) statements, each reflecting the evaluation criteria applied by the various constituencies involved to a greater or lesser degree with the focal organization" (p. 213). With this approach, there is no overall or single judgement of effectiveness. Rather, each constituency makes its own judgement by comparing organizational outcomes to its organizational effectiveness preference with each constituency's preference being equally valid.

Power

The use of power as a meta criterion is most closely associated with Pennings and Goodman (1977). Their model is based on Thompson's (1967) theory of a dominant coalition. The coalition is composed of various interest groups which negotiate the criteria against which organization outcomes are to be judged. The power of an interest group in negotiation comes from its ability to cope with organizational uncertainty along with the nonsubstitutability and centrality of its role in the organization. The more powerful an interest group, the more likely that it will be able to impose its preference for outcomes. An effective organization is one that it is able to satisfy the demands of the dominant coalition and thus ensure its continued support of the organization.

Social Justice

The social justice approach is based on Rawls' (1971) theory of justice and is most closely associated with the work of Keeley (1978, 1984). Rawls (1971) viewed a just society as one in

which "all social value--liberty and opportunity, income and wealth, and the bases of self-respect--are distributed equally unless an unequal distribution of any, or all, of these values is to everyone's advantage" (p. 62). Keeley (1984) wrote that "an organization can be considered just or effective to the extent that the basic well-being of each participant is given equal consideration in policy making and implementation" (p. 12). To operationalize this concept, the "least advantaged person" within the constituency network is singled out as the standard against which to judge organizational effectiveness. The effective organization seeks to minimize that person's regret for participation in the organization and the most effective organization would be the one with the least most regretful constituency (Keeley, 1984). This approach is an obvious contrast to the power approach as to which constituencies' standards are used to evaluate organizational effectiveness. The power approach suggests that performance satisfying the most powerful constituencies is effective, whereas the social justice approach suggests that satisfying the preferences of the least advantaged constituency is effective.

Evolutionary

The evolutionary approach was developed by Zammuto (1982) and is composed of three elements: constituency preferences, environmental constraints in the form of niches and time. As with most multiple constituency models, Zammuto (1982) concluded that different constituencies have different relationships with the organization and thus they have the potential for different perspectives of what constitutes organizational effectiveness. Given these different perspectives, an organization must have an evaluation mechanism with sufficient variety to capture all perspectives. With such a mechanism, the organization is able to determine to what degree it is satisfying its constituencies' preferences.

Knowledge of constituency preferences alone, however, is not sufficient for assessing organizational effectiveness since these do not reflect what is possible in terms of organizational performance. The firm's environment represents an interaction of physical, biological, and social

constraints which create a niche in which the firm operates. Zammuto (1982) wrote, "Only when an understanding of the preferences for and the constraints on organizational performance is gained can decision makers begin to choose among the alternative actions with an eye toward adapting to and shaping the future" (p. 19).

The final element of the approach is to add the dimension of time. Constituency preferences and the environmental constraints of niches change over time. The effective organization must have the evaluation mechanism that allows it to monitor change and to adapt as needed by expanding its niche of operation.

Zammuto (1984) summarized the evolutionary approach with the following.

> Given the elements of preferences, constraints, and time, effective performance is defined as that which increases the adaptability of the organization by relaxing environmental constraints on performance. This, in turn, is seen as increasing the organization's ability to satisfy the changing demands imposed by its various constituencies . . . . The emphasis of the model is on the continual process of becoming effective rather that on being effective, because the substantive definition of effective organizational performance continually changes. (p. 608)

Criticism

A number of criticisms of the various multiple constituency approaches have been made. Cameron (1980) wrote that the multiple constituency approaches asserts that organizations are effective to the extent that they minimally satisfy strategic constituency demands, but noted that organizations can be deemed effective even though they ignore or act in contradiction of such constituencies. This is particularly true of charismatic organizations such as churches and political movements.

Ravin and Goodman (1984) wrote that the evolutionary model is unclear about who should be included on the list of constituencies, how to solve conflicting demands, and how to determine the limits of trying to satisfy each constituency's demands.

In regard to the relativism approach, Keeley (1984) wrote that because constituencies may vary in their evaluations of organization effectiveness, this does not lead logically to the conclusion

that all evaluations are equally valid. Keeley (1984) also objected to the power approach because individual persons are viewed for their instrumental value as resources for organization use rather than as ends in themselves.

Integration

Several researchers have discussed ways of integrating the previously discussed models. Tsui (1990) has integrated all three models under the multiple constituency framework by noting that some constituencies advocate the evaluation of outcomes related to ends (goal model), whereas other constituencies advocate the evaluation of outcomes related to means (systems model). This integration would appear to describe how constituencies evaluate education as some constituencies are concerned about outcomes as attested to by standardized competency exam scores, others about education processes, and yet still others about the inputs into the education system money, quality of students, faculty salaries, and facilities.

Keeley (1984) viewed many of the organizational effectiveness models to be based on theories of justice with the goal model representing a form of utilitarianism, the power approach representing a form of meritarian theory and the social justice approach nearing a Kantian perspective. Connolly et al. (1980) described the goal model as a special case of the multiple constituency model in that the dominant coalition arrives at goals that are imposed on the organization.

Definition and Operationalization

Along with the many models of organizational effectiveness that have been developed, there are a multitude of definitions as noted by Goodman and Pennings (1977) and Hodge (1991). Definitions have included attainment of goals, goal attainment without imposing internal strain on the organization, exploiting the organization's environment for resources, and meeting the criteria of a constituency.

In an effort to develop an improved definition of organizational effectiveness, Goodman and Pennings (1977) proposed that a definition should have the following four attributes:

1. A definition of organizational effectiveness must include some outcome or substantive dimension (e.g., profit, satisfaction, or survival). The outcome represents the object from which OE is assessed . . . .
2. Constraints are limiting conditions that need to be satisfied. Satisfying of constraints is a necessary condition for effectiveness . . . .
3 Standards or referents are embedded in constraints and outcomes. These standards may be implicit or explicitly stated. They may also be internal or external to the organization and of a dynamic or static nature . . . They provide the referent against which actual events are compared . . . .
4. "A functional statement concerns the relationship between the actual events and standards and the level of effectiveness. This functional statement can take many different forms. As the actual events approximate the standards, the organizations may be more effective . . . . (p. 192)

In short, Goodman and Pennings (1977) proposed that organizations are effective to the degree that constraints can be satisfied and organizational results approximate or exceed a set of referents for multiple goals.

Cameron (1980) identified five categories of referents:

a) Comparative--compared to one's competition.

b) Normative--compared to a theoretical standard.

c) Goal center--compared to a stated goal.

d) Improvement --compared to a previous achievement.

e) Trait--compared to a specific desirable trait.

Evaluators need to carefully select the referent, as an organization can appear to be effective when judged against one referent but in ineffective when judged against another. Cameron (1980) also noted that outcomes and referents should not be selected on the basis of personal bias, self interest, tradition, or post hoc rationalization. Further, the referrents should be reliable, consistent, and clearly related to the outcome to be evaluated.

An excellent definition that meets many of the attributes identified by Goodman and Pennings is offered by Hodge (1991). "Organizational effectiveness is a condition in which a focal

organization, using a finite amount of resources, is able to achieve a stated objective(s), as measured by a given set of criteria. Further, and as an integral part of the concept, this definition must be viewed from the perspective of the affected constituency" (p. 271).

In addition to the multitude of definitions, a wide range of variables have been used to operationalize organizational effectiveness. Campbell, Bownas, Peterson, and Dunnette (1974) identified and listed the criteria of organizational effectiveness as:

Table 2

Campbell's List of Effectiveness Criteria

Overall Effectiveness	Productivity
Efficiency	Profit
Quality	Accidents
Growth	Absenteeism
Turnover	Job Satisfaction
Motivation	Morale
Control	Conflict/cohesion
Flexibility/adaptability	Planning and goal setting
Goal consensus	Growth internalization
Role and norm congruence	Managerial skills
Information management and communication	Readiness
Utilization of environment	Evaluation by external entities
Participation and shared influence	Emphasis on training and development
Emphasis on achievement	Stability

(Campbell et al., 1974)

Value of Human Resources

The following observations can be made about the Campbell et al. (1974) criteria of organizational effectiveness:

1. The variety of criteria reveals the difficulty in arriving at a universal measure of organizational effectiveness.
2. The criteria are located along a wide range of several scales including objective/subjective, short-term/long-term, and area of functional focus.

3. Which criteria are determinants of organizational effectiveness and which criteria are indicators of organizational effectiveness is not clear. This distinction will be discussed in greater detail in the determinant section of this paper.
4. Since this list was published, a number of other indicators have been developed (e.g., adaptability and survival).

Transition to Application

So far this paper has discussed the three major models of organizational effectiveness along with definition features on a theoretical level. As managers and researchers work to measure organizational effectiveness, however, there are several aspects to consider: organization type, time, measurement, and level of analysis. Each topic is discussed in the following four sections.

Organization Type

Attempts to develop a universal measure or definition of organizational effectiveness are challenging in part because of the diversity of types of organization (e.g., nonprofit, service sector, for profit, public sector). This section will focus on the nonprofit sector. Weisbrod (1988) noted three key characteristics of nonprofit organizations

1. No one owns the right to share in any profit or surplus of a nonprofit.
2. Nonprofits are exempt from taxes on corporate income.
3. Some nonprofits receive a variety of other subsidies--donations to them are tax deductible and they are exempt from many other forms of taxation in addition to the tax on corporate profits. (p. 14)

Of these three characteristics, the absence of the profit motive is the most important to consider when evaluating organizational effectiveness for nonprofits. The absence of profit means that a measure that is commonly used in business to assess organizational effectiveness is not available. The absence of profit also removes the "discipline" of the market that encourages efficiency in the for profit sector.

Instead of profit, Drucker (1989), Blickendorfer and Janey (1988), and Kanter and Summers (1987) suggested that mission replaces profit as the driving force for the nonprofit and

that the measurement of organizational effectiveness should be assessed against the organization's mission statement. Drucker (1988), in fact, believed so much in the value of mission as a driving force and measurement standard, that he suggested that American for profits would benefit by emulating nonprofits and focus less on profit and more on mission as a guiding value.

In addition to the absence of a profit motive, Kanter and Summer (1987) noted several other difficulties in performance measurement for nonprofits:

1. Nonprofits are more likely to provide services rather than manufacture goods, but services are often intangible and hard to measure. This service factor is compounded in nonprofits by a weaker client influence, since clients often do not pay the full price of the service or product and thus do not exercise full market "discipline."
2. Nonprofits may be subject to greater goal ambiguity and goal diversity in an attempt to avoid alienating constituencies such as donors and clients that have conflicting purposes. Such goals, however, make it more difficult to assess effectiveness.
3. Since nonprofit organizations tend to provide services that are hard to measure, the measurement focus is likely to switch from a bottom line output to inputs or processes.
4. The existence of ambiguous and diverse goals creates opportunities for internal politics, goal displacement, and loose coupling between official and operative goals.
5. Professionals in nonprofit organizations develop "professional standards" which can interfere with responding to changing constituency needs.

Weisbrod (1988) noted that another problem in evaluating nonprofit performance is the indiscriminate use of measures from the private sector that miss qualities the market does not reward. A church, for example, may hire a handicapped worker to fill a janitorial position as a part of fulfilling its mission of outreach to the disadvantaged. As a result of the hiring, the church's cleaning cost per square foot may be higher than that of local businesses, and it is thus judged to be inefficient on this measure. The cleaning cost per square foot measure, however, under counts the

total value of employing the janitor as it ignores the contribution toward outreach mission achievement.

While nonprofits can differ on output measures from for profits, they also appear to differ on the determinants of organizational effectiveness. Webb (1974) studied the determinants of organizational effectiveness for voluntary organizations (i.e., churches). The four determinants of organizational effectiveness that he identified for churches--efficiency, support, cohesion, and adaptability--were markedly different from those identified in previous studies of for profit organizations.

In a more recent study on determinants, Knauft, Berger, and Gray (1991) found the following characteristics to be the "hallmarks" of excellence in nonprofit organizations:

1. A clearly articulated sense of mission that serves as the focal point of commitment for board and staff and is the guideline by which the organization judges its success and makes adjustments over time.
2. An individual who truly leads the organization and creates a culture that enables and motivates the organization to fulfill its mission.
3. An involved and committed volunteer board that relates dynamically with the chief staff officer and provides a bridge to the larger community.
4. An ongoing capacity to attract sufficient financial and human resources.

As can be noted above, research is now being conducted in the nonprofit sector. Research centers focusing on nonprofits have been established at such institutions as Yale University and the University of California-Berkeley. Professional organizations and research publications dedicated to scholarly interest in nonprofit organizations have been established. Progress is being made on the study of organizational effectiveness for the nonprofit sector.

Level of Analysis and Aggregation

Three levels of analysis for effectiveness are commonly identified in the literature: individual, group, and organization (Gibson et al., 1991). At the most basic level is individual effectiveness which emphasizes the specific performance of an organization member. Examples of individual effectiveness evaluation include job performance evaluations and student grade cards.

Group level effectiveness emphasizes the performance of a group of individuals, but the group performance is often more than simply the summation of individual efforts. As an example, the performance of a group in a production line is likely to be greater than if the individuals tried to produce the product in isolation of each other. Hackman and Walton (1985) conceptualized group level effectiveness as the composite of the following three dimensions:

1. The extent to which group output meets the organizational standards for quality, quantity, and timeliness;
2. The degree to which the group process increases members' capability for working independently in the future;
3. The extent to which the group contributes to the growth and personal well-being of team members.

The third level of analysis is that of organizational effectiveness. Because of synergy, organization performance can be greater than the sum of the individual and group efforts. There appears to be little discussion in the literature of negative synergy where the sum of individual and group efforts is less than those efforts in isolation because of organizational bureaucracy problems.

The discussion of the levels of analysis is important for three reasons:

1. Because of varying objectives, technologies, and environments, different units of analysis may require different effectiveness measures and weights (Bedeian, 1986).
2. Effectiveness or ineffectiveness at one level of analysis does not mean there will be effectiveness or ineffectiveness at another level analysis (Bedeian, 1986).

3. Effectiveness at one level may conflict with effectiveness at another level (Cameron, 1980). For example, effectiveness may increase at the group level by speeding up a production line, but may result in decreased effectiveness as judged by individual development or satisfaction.

Evaluation of a given level of analysis must also be considered in terms of which constituency is doing the evaluation. For example, firms that supply 900 number service, sell cheap handguns or produce pornography may be evaluated as very effective from the profit perspective of the owners, but may not fare so well from the social benefit perspective of society.

Lastly, attempts are often mistakenly made to aggregate the effectiveness measures of individuals or groups to larger units of analysis. Goodman and Pennings (1980) wrote that it is especially inappropriate to aggregate efficiency measures whose distributions and determinants differ. In the measurement section, recent research by Pritchard, Jones, Roth, Stuebing, and Ekeberg (1989) is discussed that addresses the issue of aggregation.

Measurement

Numerous researchers have expressed concern over the challenges of measuring organizational effectiveness through the utilization of effectiveness criteria. Kanter and Summers (1987), for example, wrote that goals for nonprofit organizations are often ambiguous, diverse, and conflicting. Given such conditions, effectiveness criteria may become substitutes for goals and drive behavior.

Drucker (1968) also noted how measurement may influence behavior when he wrote

> It may sound plausible to measure the effectiveness of a mental hospital by how well its beds--a scare and expensive commodity are utilized. Yet a study of mental hospitals for the Veterans' Administration brought out that this yard stick leads to mental patients being kept in the hospital--which, therapeutically, is about the worst thing that could happen. Clearly, lack of utilization, that is empty beds, would also not be the right yardstick. How then does one measure whether a mental hospital is doing a good job within the wretched limits of our knowledge of mental disease? (pp. 196-197)

Weisbrod (1988) discussed the issue of measurement driving behavior in the case of school districts attempting to reward teachers with merit pay. He argued that there are many intangible qualities of good teaching that are incapable of objective measurement and others that very costly to measure. Using poor and incomplete measures to reward good teaching may actually be counterproductive because some valued but unrewarded behaviors may decline. Pritchard et al. (1989) concurred when they wrote that often what is not measured is neglected.

Cameron (1986b) noted that effectiveness measures may also lead to dysfunctional behavior when carried to the extreme. A firm, for example, may use low turnover as a measure of effectiveness for the human resource department. That measure should not be treated as a linear function because as an extremely low turnover level may preclude shedding unproductive workers. Firms thus face the paradox of needing both stability and innovation, control and freedom.

Given that measurement selection can drive behavior, it is important to carefully select measures, and to also consider the comprehensiveness of the measures. There has been a growing emphasis of moving from a single factor measure of organizational effectiveness to multifactor indexes (Chew, 1988). To meet this need, Pritchard et al. (1989) recently pioneered a new approach to the measurement and enhancement of organizational productivity entitled the Productivity Measurement and Enhancement System (ProMES).

For an organization to utilize the ProMES, the following four steps are followed by a team using pooled judgements:

1. The team identifies important activities and objectives of the organization which are called products.
2. For each product, indicators of the products are developed to measure how well the organization is generating the product in question.
3. A contingency is developed for each indicator that specifies the relationship between various amounts of the indicator and the associated effectiveness level. Effectiveness

is scaled from -100 to +100, with the zero point being the neutral level of effectiveness. The relationship may or may not be linear.

4. A feedback system is developed to provide contingency results.

An example of the process would be the following:

--Product: Quality of repairs

--Indicator: Return rate within a week of repair

--Contingency: Return rates would be scaled to effectiveness levels.

--Feedback: A composite feedback report of effectiveness levels would be developed.

The ProMES technique has several excellent features. First, because the ProMES uses a common metric of effectiveness percentages for all products, scores can be added across levels of analysis, and thus aggregated to larger and larger units of analysis. Second, priorities can be developed by using the contingency to reflect how a change in an indicator amount results in a change in the effectiveness level. Lastly, effectiveness levels can be compared over time and adjusted as needed.

The ProMES technique appears to be a good method to measure productivity, but can also be used as an intervention to improve productivity. Pritchard et al. (1989) found significant increases in productivity when using a ProMES intervention at an Air Force base in the southwest. Gains in productivity of 50% occurred across the five units during feedback from ProMES and gains of 75% and 76%, respectively, occurred when using feedback with goal setting and with incentives.

Time

Another important issue in the evaluation of organizational effectiveness is the assessment of organizational effectiveness across time. Gibson et al. (1991) offered a framework with three time horizon--short run, intermediate run, and long run. Interestingly, a chronological length of time is not specified by these authors or others, but rather must be decided by the user depending

on the industry and environment. Alternatively, conventions in the financial and accounting industries could be adapted--short term up to one year, intermediate one to ten years and long term ten years and greater.

There are criticisms of using the various time horizons and the associated indicators used for each horizon. Bedeian (1986) wrote that short term time horizons can often be misleading because of the cyclical nature of organizational performance. This concept can be explained by an illustration from the stock market--IBM stock may be highly profitable in the long run but can be unprofitable in the short term because of economic fluctuations. Also, many management writers have repeatedly criticized American firms for being too focused on the short term measure of profit. Several authors (Hannan & Freeman, 1977; Gibson et al., 1991) have suggested survival as the ultimate criteria of organizational effectiveness in the long run. Kanter and Summers (1987), however, fault this approach for four reasons:

1. This measure is highly skewed since there is a general liability of newness.
2. No guide to short run and intermediate run action for managers is provided.
3. Survival is sometimes artificial in that the organization survives because it is supported by a financial benefactor or political power despite the organization's ineffectiveness.
4. Using survival as a goal may lead the organization to lose sight of its mission.

Kanter and Summers (1987) noted further that survival may be negatively related to impact- a foundation successful in achieving its goal of eliminating cancer or polio would also eliminate its reason for survival.

An issue related to time horizon is development of a procedure to select the correct time horizon. Goodman and Pennings (1980) recommended examination of the causal process so that the relationship of actions to effects can be understood. Using this framework, the time horizon for evaluation is decided by the anticipated action-marginal effect relationship. Such an approach is important because some organization activities such as staff development may decrease

organizational effectiveness as measured in the short run, but are designed to increase organizational effectiveness in the intermediate and long run.

Another time related dimension is that organizations have life cycles that influence goals and effectiveness criteria. Daft (1986) used a framework with three stages of development--early, middle, and late. He suggested that during the cycle that a firm's efforts move from resource acquisition to efficiency to goal achievement. Organizational effectiveness measures would also change over the cycle.

Constituency Change

Lastly, there is constituency change over time, resulting in changes in organizational effectiveness measures. The constituency changes may be the result of an organization actively attempting to change its constituencies--teaching college changes to a research university; a department store seeks to develop an upscale clientele (Zammuto, 1984). Constituencies also emerge and leave organizations nonsmokers have become an active constituency of the cigarette companies (Cameron, 1980), and white alumni have lost interest in their high school alma mater when the current student body changes in racial composition. Finally, past achievements of the organization can impact future expectations of organizational effectiveness (Zammuto, 1984).

Determinants of Organizational Effectiveness

One of the major surprises and disappointments of this review was the status of the literature on the determinants of organizational effectiveness. There appears to be two approaches to the study of organizational effectiveness.

First, there are a group of theory papers where the focus is primarily placed upon such aspects of the construct of organizational effectiveness as definition, model, and measurement. These papers seldom discuss the determinants thought to cause organizational effectiveness. There are a few exceptions such as Lewin and Minton (1986).

Second, another group of papers have focused upon components of the constructs of organizational effectiveness including leadership, job design, motivation, and strategy. These papers use organizational effectiveness as the dependent variable. Unfortunately, in these studies organizational effectiveness receives only cursory attention, is loosely defined, and poorly operationalized. Goodman and Pennings (1980) concurred and wrote that many such studies are atheoretical and that effectiveness indicators are often selected as a matter of convenience.

The dismal state of the organizational effectiveness construct is further complicated when studies fail to indicate if the effectiveness variable is one that predicts effectiveness or one that indicates effectiveness. A review of the list of 30 dependent variables for organizational effectiveness found by Campbell et al. (1974), leaves unclear whether the variables are indicators or predictors. For example, Gibson et al. (1991) appeared to consider adaption as an intermediate time horizon indicator of effectiveness. In contrast, Kanter and Summers (1987) appeared to consider adaption as a determinant when they discussed how adaption leads to survival.

There is also debate as to whether we can even have determinants of organizational effectiveness other than those of natural selection. The population ecology perspective (Hannan & Freeman, 1977b) asserted that organizations are pawns of the environment and thus the environment determines the behavior of the organization and subsequent measure of organizational effectiveness. Leadership and management are considered inert factors in the determination of organizational effectiveness in the population ecology perspective. In contrast, the strategic choice view asserts that leadership and management do matter and can impact organizational effectiveness. Cameron (1986a) wrote that managers do this by "exerting influence on, changing, or selecting the environment in which they operate, and by changing the configuration and processes in the organization itself in order to improve performance (p. 107)."

Conger and Kanungo (1988) concurred with the strategic choice concept and promote charismatic leadership as an important determinant of organizational effectiveness. The core characteristics of charismatic leadership are (1) articulation of a strategic vision, (2) inspiration and

empowerment of followers, and (3) superior articulation and impression management skills. Conger (1989) noted that the second characteristic of empowerment is at the root of organizational effectiveness, especially during times of transition and transformation.

Lewin and Minton (1986), in their work on the "engineering" of organizational effectiveness, also agreed that management can make a difference in organizational effectiveness levels. They recommended examining the instrumentality of organizational culture in developing and improving organizational effectiveness and examining how to effectively manage such a culture. Lewin and Minton (1986) were correct when they strongly recommended that additional research is needed on this topic as is the case with many other determinants of organizational effectiveness.

Organizational Learning

Measurements of organizational effectiveness are developed for internal and external audiences (Gaertner & Ramnarayan, 1983). For the internal audience, a major reason to measure organizational effectiveness can be for organizational learning--the process by which an organization develops knowledge about its actions, outcomes, and needed courses of action. Three steps of organizational learning were discussed by Daft (1986):

1. Data collection about the environment via formal and informal scanning [Including measures of organizational effectiveness].
2. Interpretation and agreement among managers about the state of the environment based on the data.
3. A new organizational response or action. (p. 521)

The third step of organizational response and action is especially important as it influences the organization's ability to meet future demands (Kanter & Summers, 1987). The importance and complications of organizational learning are discussed in the following three theoretical approaches.

Readaptation

Lawrence and Dyer (1983), in a somewhat different approach to organizational learning, proposed that for a firm to be effective in the long run it must be readaptive--the state of being both efficient and innovative. Seeking to achieve these two states, however, can be conflicting. If we think of efficiency as the minimizing of the input/output ratio, then to be efficient the organization must minimize costs by utilizing specialized fixed assets and staff, strong internal controls, and long run volume production. For innovation in contrast, the organization needs flexibility, slack, and a readiness for change. An example of the conflict is portrayed with research and development expenses. In the short run, such expenses may hurt the firm's efficiency by increasing input expenses. In the long run, however, these expenses are important if the firm is to stay innovative and thus able to adapt to ensure survival. Daft (1986) wrote "Striving for both efficiency and innovation is a mechanism through which firms can be activated toward learning. Learning keeps the organization healthy, adaptive, and vital (p. 522)." Needing such dual goals, organizations should avoid an over emphasis on a short term measure of organizational effectiveness such as efficiency which may lead to the organization neglecting organizational learning.

Punctuated Equilibrium

Another important aspect of organization learning is the ability of the organization to correctly evaluate and use organizational effectiveness data. Argyris (1977), for example, discussed the concept of double-loop learning. Argyris contended that most decision making is single-loop and operates much like a thermostat--managers are trained to detect deviations from present policies and correct those deviations in much the same way that a thermostat notes temperature deviations and makes corrections. Just as the thermostat may have the wrong temperature as the comparison standard, however, managers may be using the wrong paradigm or problem against which to compare organization effectiveness data. Double loop learning occurs

when managers question the underlying policies, goals, and assumptions which can lead to the manager identifying the correct paradigm or problem.

From a different perspective, Gersick (1991) used the punctuated equilibrium model to present a fascinating perspective on organizational change. In her model, there are alterations between long periods of stable infrastructures which permit only incremental adaptations and briefer periods of revolutionary upheaval. For managers, events often occur against the backdrop of a deep structure and are treated or interpreted in ways that preserve the system's inertia. Organizational effectiveness data thus may not indicate that change is needed in terms of processes, structures, or staffing. Rather, the perceived need for change does not come until a disaster, which leads to the revolutionary upheaval, but not on the manager's terms. For organizations, the challenge is to use organizational effectiveness data to initiate change during the stable period rather than wait until change is forced by an upheaval. Gersick (1991) suggested that triggers such as the arrival of newcomers to the group or the use of key temporal milestones be used to initiate change.

Institutionalism

Organizational effectiveness measures may also be developed for outside audiences. In a perfect world, organizations would supply unbiased and useful measures of their effectiveness to outside audiences so they could make informed decisions. The literature, however, appears to say that this is not a perfect world. Gaertner and Ramnarayan (1983), for example, noted that organizations tailor accounts of their performance for different audiences and that the reports are not neutral constructions of events.

Meyer and Rowan (1977) stated the case of report tailoring even more strongly in their theory of institutionalism. They noted that the prevailing theory of formal structure has been a technical-rational approach and wrote the following description of that theory, "organizations function according to their formal blueprints; coordination is routine, rules and procedures are

followed, and activities conform to the prescriptions of formal structure" (p. 342). In summary, effective task accomplishment to achieve organizational goals is the fundamental driving force behind organization activity.

In contrast, the institutional perspective maintains that organizations engage in activities that earn them legitimacy in the eyes of their constituencies. Kanter and Summers (1987) wrote, "The primary institutional functions of measuring performance thus revolve around legitimacy renewal and resource attraction." Institutional demands in some types of organizations can be so strong that Froelich and Mauriel (1990) wrote that legitimacy goals can actually take precedence over task accomplishment goals.

The institutional perspective is important to consider in the study of organizational effectiveness, because many organizations overemphasize the design of their effectiveness evaluation programs around institutional purposes. Organization learning, as a result, may suffer for the following reasons:

1. Managers may start to believe the reports of organizational effectiveness fed to the outside audiences. If these reports are inaccurate, organizational learning efforts will be misguided.
2. Bedeian (1986) noted that success breeds failure in that successful organizations may become insensitive to the need to change. If an organization believes its own reports of success, it may lose the incentive to change.
3. An organization that has developed a success image with its external audiences through misleading effectiveness reports may be unable to change when needed as the changes would signal problems. As an example, a bank that hides its precarious financial condition may delay needed staff layoffs as these changes would alert customers to the financial problems and possibly start a panic withdrawal of funds.

In summary, it is important that an organization realizes the danger of overemphasizing the institutional aspect when reporting effectiveness results to external audiences as such an emphasis can sabotage organizational learning.

Conclusion

Several conclusions can be drawn from this review of the organizational effectiveness literature.

First, there is not and probably will not be in the near future one single predictor, indicator, or model of organizational effectiveness.

Second, instead of a single measure of organizational effectiveness, evaluators need to consider a multi factor index that reflects the best of the three goal models.

Third, in addition to the three models of goal, systems, and multiple constituency, several additional factors need to be considered in developing an index: time, level of analysis, measurement, and organization type.

Fourth, organizations differ as to the appropriate organizational effectiveness measure. In particular, nonprofit organizations face much more complex environments and cannot be assessed with traditional measures such as profit. As the service and nonprofit sectors continue to grow, additional research will be needed that recognizes the distinctive features of these organizations.

Fifth, an important purpose of evaluating organizational effectiveness is to provide the data needed to plan, implement and monitor organizational learning. Organizational learning efforts can be sabotaged, however, by the misuse of organizational effectiveness measures as discussed in the subsection on institutionalism.

Lastly, while this review has been drawn primarily from the management literature, many of the concepts can provide insights for the education field. Likewise, managers of the profit sector have lessons to learn from organizational effectiveness efforts of the education sector. Such interdisciplinary efforts will provide some of the best advances in the years ahead.

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THE MINNESOTA EDUCATIONAL EFFECTIVENESS PROGRAM RESEARCH AND DEVELOPMENT PROJECT:

AN ANALYSIS OF THE ORGANIZATIONAL CHARACTERISTICS OF THE MINNESOTA EDUCATIONAL EFFECTIVENESS PROGRAM

Summary, Conclusions, and Recommendations

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SUMMARY

Background and Structure of the MEEP R&D Project

The Minnesota Educational Effectiveness Program (MEEP) has been providing a framework for organizational change and improvement in Minnesota schools for over seven years. During that time, hundreds of public elementary and secondary schools have elected to engage in the MEEP process. In view of the substantial experience with MEEP, efforts have been undertaken to assess the Program and to make appropriate change. In early 1991, the Minnesota Educational Effectiveness Program Research and Development (MEEP R&D) Project was initiated. The Project had two purposes:

1. To assess the contemporary validity of the nine organizational characteristics of MEEP, and
2. To propose, as appropriate, revision to the nine organizational characteristics of MEEP.

The MEEP R&D Project was designed to provide a research-referenced assessment of the organizational characteristics of the Program. That is, a comprehensive review of literature was conducted across disciplines in order to determine whether the organizational characteristics of MEEP are supported by contemporary scholarly sources. The MEEP R&D Project emphasized the location, analysis, and reporting of secondary sources related to organizational effectiveness and did not engage in original, empirical, or primary research activities.

The review of literature conducted as part of the MEEP R&D Project was organized into three areas, with responsibility for each assigned to a Research Associate. The Project investigation was structured to provide an expanded literature base for MEEP and to ensure that characteristics of organizational effectiveness that may have been identified in other disciplines are incorporated into the MEEP structure. The three topical areas of investigation and respective Research Associates were:

1. Health care and service providing organizations; Dr. Patricia J. Bodelson, St. Cloud State University;

2. Educational institutions; Dr. Sue Pierson Ellingson, Concordia College; Moorhead, Minnesota
3. Business organizations; Mr. Don VandeWalle, University of Minnesota.

The investigation was conducted under the supervision of the MEEP R&D Project Director, Dr. Tom Krepel, St. Cloud State University. The results of the investigations conducted for the MEEP R&D Project have been presented in chapters 2, 3, and 4 of this report.

General Observations Regarding MEEP

Prior to presenting and reviewing the conclusions and recommendations which emerged from the Project, a number of general observations regarding the Minnesota Educational Effectiveness Program are discussed. The first area of general observation relates to the structure and process of MEEP. The structure and process associated with the Minnesota Educational Effectiveness Program manifest at least three major strengths. Those strengths are:

1. Providing a decentralized process that is locally initiated and implemented;
2. Providing broad involvement of organization members as active participants in the decision processes associated with change and improvement; and
3. Providing a mechanism that maximizes response to the client and service area needs of the organization.

Close analysis of the developmental background and structure of MEEP, however, suggests several issues which need further consideration. Those issues take on special importance in view of the seven years of operational performance of MEEP. Among the issues needing further consideration are the following:

1. The existing MEEP model, especially as it relates to organizational effectiveness and change, is atheoretical. The organizational characteristics of MEEP have been identified through a review of literature. Much of the literature used for the characteristic identification process was descriptive and lacking theoretical grounding. An

appropriate degree of caution should temper any generalizations made based upon the characteristics. Further, it is difficult to consistently predict or explain change and improvement phenomena in schools using the existing list of characteristics.

2. Available MEEP documents do not address context as a variable in organization change and effectiveness. The literature of organizational effectiveness contains abundant evidence regarding the important context or internal environment and external environment on organization development, persistence, and improvement. However, available MEEP documents appear silent on the issue of context; perhaps context is assumed to be addressed in the MEEP process via some assessment of internal environment and external environment. A more appropriate approach, in view of the literature, may be to revise MEEP documents and process so that assessment of internal context and external context for organizational effectiveness is explicitly recognized and addressed.
3. The MEEP model, structure, and operational experience presents a very rich opportunity for conducting original, empirical research through which the validity of the Program's characteristics of organizational effectiveness can be assessed. Such research would better substantiate the MEEP characteristics of organizational effectiveness. Such research would also contribute significantly to the extension of the literature and knowledge of educational organization change and effectiveness.

The following sections present the conclusions and recommendations of the Minnesota Educational Effectiveness Research and Development Project.

Conclusions

The conclusions to be drawn from the reviews of literature of organizational effectiveness conducted for the MEEP R&D Project can be organized into five categories. Those categories are:

1. The literature of organizational effectiveness;

2. Definitions of organizational effectiveness;
3. Sources of definitions of organizational effectiveness;
4. Impact of definitions of organizational effectiveness; and
5. Characteristics of organizational effectiveness.

Conclusions for the Project are presented within the context of the above categories.

The Literature of Organizational Effectiveness. A substantial amount of literature exists which is related to organizational effectiveness. However, as noted by two of the MEEP R&D Project Research Associates, the literature manifests a number of deficiencies. Among the concerns expressed by the MEEP R&D Project Research Associates are the following:

1. The literature identifies correlates to, not causes of, organizational effectiveness. As a result, it is difficult to determine from the literature whether the identified characteristics are indicators or predictors of organizational effectiveness.
2. Much of the literature of organizational effectiveness is so delimited as to hinder generalizablility of results.
3. Many of the organizations characterized as effective and used in the literature as models or illustrations of effectiveness were identified by way of subjective, reputational processes. Such processes could introduce a major source of bias into research results.

Although voluminous and useful for design purposes, the literature of organizational effectiveness manifests enough deficiencies that appropriate caution should be exercised in its continued use as a basis for MEEP field operation. Emphasis should be placed upon the empirical analysis of the impact of MEEP projects throughout the state of Minnesota.

Definitions of Organizational Effectiveness. Organizational effectiveness is not subject to universal definition. Indeed, as noted by one of the MEEP R&D Project Research Associates, numerous definitions of organizational effectiveness exist and many of these are "often unclear and conflicting." A major challenge confronting schools undertaking change and improvement efforts is the definition of effectiveness. Observations which emerged from the MEEP R&D Project

which may be helpful in guiding schools in considering and defining effectiveness are the following:

1. Definitions of effectiveness vary over time and by context for organizations. This consideration is consistent with the structure and process of MEEP as a result of the discretion which can be reflected in local improvement efforts. However, the consideration also suggests that local projects should devote attention to the time horizon of the improvement project. Further, local efforts should assess internal and external environmental conditions as part of the project design process undertaken by way of MEEP.
2. A tendency of organizations to oversimplify definitions of effectiveness was identified in the MEEP R&D Project. Organizations are cautioned to avoid the oversimplification that diminishes the importance of the internal and external environment, dynamics, and interactions that impact upon effectiveness. For example, one MEEP R&D Project Research Associate noted that schools tend to define effectiveness on the basis of student cognitive ability. Such definition of school effectiveness may overlook other important aspects of school function and effectiveness.
3. Consideration should be given to alternative measures of school effectiveness. One Project Research Associate noted that the literature of school effectiveness consistently reflects the notion that a requisite for school effectiveness is effective teachers. This may suggest that the teacher, rather than the student, as is typically the case, become the unit of analysis and measurement in school effectiveness projects.
4. The literature suggests that definitions of organizational effectiveness should address three elements--outcomes, constraints, and standards. Outcomes refer to organizational goals and objectives. Constraints refer to internal and external environmental conditions extant in and anticipated for the organization. Standards refer to the means by which effectiveness will be measured and consist of five types: comparative--

comparison to similar organizations, normative--comparison to a theoretical standard, goal-centered--comparison to a stated goal, improvement--comparison to a previous achievement, trait--comparison to a desired trait.

Schools engaging in the MEEP process should be given appropriate guidance and advice regarding the definition of effectiveness. Special care should be taken to assist schools in defining effectiveness in such a way that the full complexity and richness of the school organization and the teaching-learning process are considered. Also, special care should be taken to assist schools in devising appropriate measures of organization effectiveness.

Source of Definitions of Organizational Effectiveness. An interesting result of the MEEP R&D Project was the observation that there are multiple sources by which effectiveness can be defined for an organization. One Project Research Associate clearly described how, in the case of health care organizations, effectiveness was redefined by external forces over which the organizations had little or no control. Additionally, it was documented that the redefinition of organizational effectiveness resulted from phenomena that were unrelated to the mission of the health care organizations. Some research reviewed as part of the Project suggested that organization effectiveness can even be a matter of serendipity and chance and, thus, not be amenable to replication. However, schools engaging in the MEEP process can use theory as a starting point in their efforts to define effectiveness. The three models of organization effectiveness identified by the Project are:

1. Goals model--emphasizing formal structure and quantitative analysis;
2. Systems model--viewing effectiveness as the sum of five components of a complex organization, namely inputs, conversion process, outputs, feedback, and openness-closedness of the organization;
3. Multiple constituency model--emphasizing analysis of the type of constituency served by the organization.

Because schools serve multiple constituencies and are subject to broad environmental forces over which they may have little control, special emphasis may need to be placed on designing and providing activities by which the context of change and improvement projects can be properly assessed.

Impact of Definitions of Organizational Effectiveness. A major finding of the MEEP R&D Project was that the importance of the definition of organizational effectiveness should not be underestimated. The salient points related to this finding are summarized below:

1. An organization's definition of effectiveness may produce goals and objectives which are not consistent with organization mission. The discussion of the redefinition of health care organization effectiveness from access to efficiency illustrates this point. Although by the new definition health care organizations were effective, organization clients were being provided a lower overall quantity of care, and possibly at the expense of the quality of care.
2. The definition of organization effectiveness can dramatically effect the roles of individuals within organizations. The reversal in the organizational relationship of hospital administrators and physicians as a result of the redefinition of health care organization effectiveness illustrates this point.
3. The definition of effectiveness significantly effects the extent to which an organization is focused in mission, goals, and resources.
4. The definition of effectiveness should determine the level at which progress should be assessed within the organization. For example, assessment can be conducted on an individual, group, or organization level. Each of these levels has its own objectives, environment, and technologies in a complex organization.
5. The definition of effectiveness can be problematic for organizations in terms of both measurement and mission. That is, evidence has been offered that the measures of

organizational effectiveness often become organization goals, or may be selected because of convenience rather than appropriateness.

It was also noted that what is not measured often is ignored in organization change and improvement efforts. Factors of organization which are overlooked as a result may, in fact, be of critical importance to understanding organization change. The importance of properly defining effectiveness must be emphasized. Schools engaging in the MEEP process should strive to identify multiple measures of organization effectiveness which span time, level of analysis, and organization type.

Characteristics of Organizational Effectiveness. Several items emerged from the literature reviewed for the MEEP R&D Project which appear to complement existing MEEP characteristics of organizational effectiveness. Those items which emerged from the literature review are summarized below:

1. Effective organizations tend to be comprised of talented staff, leaders, and governing board members. This finding suggests a need on the part of schools to assess all levels of organization talent. Of special interest is the notion that the governing board of the organization has an active role to play in the design and implementation of change and improvement efforts. Also, the literature reviewed suggests that the administrative leadership of the organization must fulfill a role of consistent initiator and sustainer of change and quality.
2. Effective organizations engage in periodic confidence-building measures and activities. Such activities serve to create and maintain elevated levels of staff pride and cohesion.
3. Effective organizations strive to integrate the interests of the organization and those of the professional staff. This is typically characterized by involvement of staff at the pre-decision level, and does not necessarily require shared decision-making.

4. Effective organizations devote special attention to incorporating formative, in-process evaluation into their change and improvement efforts. Further, such organizations recognize that there is no one single indicator or predictor of effectiveness.
5. Effective organizations tend to communicate with and market their change efforts to their clients and service area.

As the Minnesota Educational Effectiveness Program matures, consideration should be given to the possible incorporation of the above additional factors which have emerged from the literature into the list of characteristics of organizational effectiveness and change.

Recommendations

Based upon the investigation conducted by the Minnesota Educational Effectiveness Program Research and Development Project, the following recommendations are offered:

1. The nine characteristics of organizational effectiveness identified in the Minnesota Educational Effectiveness Program continue to be supported by the literature of various disciplines. However, the basis upon which the characteristics have been identified is comprised of secondary sources, many of which manifest significant delimitations and deficiencies. The characteristics, as a result, should be independently, empirically assessed as a matter of routine in all MEEP projects.
2. The nine characteristics of organizational effectiveness identified in the Minnesota Educational Effectiveness Program should be retained without modification. Change to the characteristics should be based upon original, empirical research conducted as part of each MEEP project.
3. As efforts are undertaken to identify appropriate measures of educational organization effectiveness, emphasis should be placed upon the use of multiple measures. The use of multiple measures will increase the likelihood of measuring the full complexity of organizational effectiveness.

4. Consideration should be given to incorporating an explicit activity or set of activities in the MEEP process by which local change and improvement efforts are begun with an assessment of the environmental, constituent, and internal contexts of the school.
5. Consideration should be given to incorporating activities in the MEEP process which provide an opportunity for active participation of governing board members in change and improvement projects.
6. Local participants in MEEP projects should be encouraged to avoid the use of overly simple definitions of organizational effectiveness. Often, such definitions occur because the means and measures to be used in assessment are readily available and convenient, even though they may not be appropriate to project purpose or organizational mission.
7. Care should be taken to ensure that measures selected for assessing MEEP impact do not displace existing and fundamental organization goals and, in themselves, become de facto organizational goals.
8. Efforts should be made to determine that the change to be implemented in a MEEP project is consistent with the mission of the organization and does not represent an unintended or partially understood and accepted redirection of organization mission, goals, and priorities.
9. The MEEP project and assessment functions should strive to include a temporal component by considering and analyzing the short-term and long-term implications of the undertaking. Further, efforts should be made to avoid over emphasis of short-term changes and gains which may mask accomplishments or deficiencies over a more sustained time horizon.
10. MEEP projects should include components which will facilitate the communication of the changes targeted and undertaken to the clients and service area of the school.

The Minnesota Educational Effectiveness Program has a firm basis of support in the literature of organization effectiveness. The Program can be strengthened through the development and use of more refined assessment and evaluation mechanisms and by making modest additions to the project implementation procedures. With such changes, the Minnesota Educational Effectiveness Program has the potential for broadening understanding of the variables that predict organization effectiveness, and for contributing significantly to the knowledge and literature of organization change and improvement.